

Audited Financial Statements

Town of Camden, Maine

June 30, 2016



Proven Expertise and Integrity

TOWN OF CAMDEN, MAINE

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JUNE 30, 2016

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Proven Expertise and Integrity

INDEPENDENT AUDITORS' REPORT

Board of Selectmen
Town of Camden
Camden, Maine

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camden, Maine as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of Camden, Maine's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camden, Maine as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 4 through 12 and 59 through 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Camden, Maine's basic financial statements. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund Revenues, Schedule of Departmental Operations – General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund Revenues, Schedule of Departmental Operations – General Fund, combining and individual nonmajor fund financial statements and capital asset

schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund Revenues, Schedule of Departmental Operations – General Fund, combining and individual nonmajor fund financial statements and capital asset schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2017, on our consideration of the Town of Camden, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Camden, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
April 28, 2017

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

(UNAUDITED)

The following management's discussion and analysis of Town of Camden, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2016. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

The Town of Camden's basic financial statements include the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information which consists of the general fund budgetary comparison schedule and pension schedules, and other supplementary information which includes combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in two differing views: the government-wide financial statements and the fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

Government-Wide Financial Statements

The government-wide financial statements provide a broad view of the Town's operations in a manner that is similar to private businesses. These statements provide both short-term as well as long-term information in regards to the Town's financial position. These financial statements are prepared using the accrual basis of accounting. This measurement focus takes into account all revenues and expenses associated with the fiscal year regardless of when cash is received or paid. The government-wide financial statements include the following two statements:

The Statement of Net Position – this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities – this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Both of the above mentioned financial statements have separate columns for the two different types of Town activities. The types of activities presented for the Town of Camden are:

- *Governmental activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most of the Town's basic services are reported in governmental activities, which include general government, public safety, public services, health and welfare, leisure services and education.
- *Business-type activities* – These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services. These activities for the Town of Camden include the Camden Snow Bowl.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Camden, like other local governments uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Camden can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds: Most of the basic services provided by the Town are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balance of spendable resources available at the end of the fiscal year. Such information will be useful in evaluating the government's near-term financing requirements. This approach is known as the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues, are recorded when cash is received or when susceptible to accrual. Expenditures are recorded when liabilities are incurred and due. These statements provide a detailed short-term view of the Town's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the Town.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this

comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental funds financial statement.

The Town of Camden presents six columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund, sewer operation, Charles Wood fund, Mountain View Cemetery and RMRA Revelopment. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund is the only fund for which the Town legally adopted a budget. The Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund provides a comparison of the original and final budget and the actual expenditures for the current year.

Proprietary Funds: The Town of Camden maintains one proprietary fund, the Camden Snow Bowl Fund. This fund is used to show activities that operate more like those of commercial enterprises. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. No reconciliation is needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the Town of Camden. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Net Position – Fiduciary Funds.

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule – Budgetary Basis – Budget and Actual – General Fund, a Schedule of Proportionate Share of the Net Pension Liability, a Schedule of Contributions and Notes to Required Supplementary Information.

Other Supplementary Information

Other supplementary information follows the required supplementary information. These combining and other schedules provide information in regards to nonmajor funds, capital asset activity and other detailed budgetary information for the general fund.

Government-Wide Financial Analysis

Our analysis below focuses on the net position, and changes in net position of the Town's governmental activities. The Town's total net position for governmental funds is \$14,731,973 compared to \$13,727,838 in the prior year, an increase of \$1,004,135. For the business-type activities, total net position is \$4,377,357 compared to \$4,807,821 in the prior year, a decrease of \$430,464.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – is \$2,113,399 at the end of this year for governmental activities and a deficit of \$459,835 for the business-type activities.

Table 1
Town of Camden, Maine
Net Position
June 30,

| | Governmental Activities | Business-type Activities |
|--|------------------------------------|-------------------------------------|
| | 2016 | 2016 |
| Assets: | | |
| Current Assets | \$ 8,080,498 | \$ 20,374 |
| Capital Assets | 13,284,730 | 4,837,192 |
| Total Assets | <u>21,365,228</u> | <u>4,857,566</u> |
| Deferred Outflows of Resources: | | |
| Deferred Outflows Related to Pensions | 877,328 | - |
| Total Deferred Outflows of Resources | <u>877,328</u> | <u>-</u> |
| Liabilities: | | |
| Current Liabilities | 936,497 | 480,209 |
| Long-Term Debt Outstanding | 5,892,628 | - |
| Total Liabilities | <u>6,829,125</u> | <u>480,209</u> |
| Deferred Inflows of Resources: | | |
| Prepaid Taxes | 131 | - |
| Deferred Inflows Related to Pensions | 681,327 | - |
| Total Deferred Inflows of Resources | <u>681,458</u> | <u>-</u> |
| Net Position: | | |
| Net Investment in Capital Assets | 8,518,852 | 4,837,192 |
| Restricted | 4,099,722 | - |
| Unrestricted (Deficit) | 2,113,399 | (459,835) |
| Total Net Position | <u>\$ 14,731,973</u> | <u>\$ 4,377,357</u> |

Table 2
Town of Camden, Maine
Change in Net Position
For the Year Ended June 30,

| | Governmental Activities | Business-type Activities |
|---|------------------------------------|-------------------------------------|
| | 2016 | 2016 |
| Revenues | | |
| <i>Program Revenues:</i> | | |
| Charges for services | \$ 1,806,796 | \$ 641,129 |
| Operating grants and contributions | 6,387 | - |
| <i>General Revenues:</i> | | |
| Taxes | 17,892,434 | - |
| Grants and contributions not restricted | | |
| to specific programs | 386,026 | - |
| Investment income | 250,226 | - |
| Miscellaneous | 877,060 | 66,512 |
| Total Revenues | <u>21,273,625</u> | <u>707,641</u> |
| Expenses | | |
| General government | 2,158,407 | - |
| Public safety | 2,040,290 | - |
| Public services | 1,175,310 | - |
| Health and welfare | 6,150 | - |
| Leisure services | 995,980 | - |
| Cemeteries | 80,877 | - |
| Education | 10,511,615 | - |
| County tax | 1,124,041 | - |
| Capital outlay | 110,348 | - |
| Interest on long-term debt | 64,768 | - |
| MCSWC assesment | 202,969 | - |
| Unclassified | 1,778,735 | - |
| Camden Snow Bowl | - | 1,158,105 |
| Total Expenses | <u>20,249,490</u> | <u>1,158,105</u> |
| Transfers | <u>(20,000)</u> | <u>20,000</u> |
| Change in Net Position | 1,004,135 | (430,464) |
| Net Position - July 1 | <u>13,727,838</u> | <u>4,807,821</u> |
| Net Position - June 30 | <u>\$ 14,731,973</u> | <u>\$ 4,377,357</u> |

Revenues and Expenses

Revenues for the Town's governmental activities decreased by 4.45%, while total expenses increased by 4.59%.

Revenues for the Town's business-type activities decreased by 12.76%, while total expenses increased by 23.87%.

Financial Analysis of the Town's Fund Statements

Governmental funds: The financial reporting focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Town's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the year, and the net resources available for spending.

Table 3
Town of Camden, Maine
Fund Balances - Governmental Funds
June 30,

| | <u>2016</u> | <u>2015 (Restated)</u> |
|------------------------------|---------------------|----------------------------|
| General Fund: | | |
| Nonspendable | \$ 8,526 | \$ 8,526 |
| Restricted | 97,658 | - |
| Committed | 297,303 | - |
| Assigned | 978,225 | 1,500,000 |
| Unassigned | 1,403,379 | 1,388,434 |
| Total General Fund | <u>\$ 2,785,091</u> | <u>\$ 2,896,960</u> |
| Sewer Operation: | | |
| Assigned | <u>\$ 556,001</u> | <u>\$ 191,896</u> |
| Total Sewer Operation | <u>\$ 556,001</u> | <u>\$ 191,896</u> |
| Charles Wood Fund: | | |
| Restricted | <u>\$ 1,851,810</u> | <u>\$ 1,841,643</u> |
| Total Charles Wood Fund | <u>\$ 1,851,810</u> | <u>\$ 1,841,643</u> |
| Mountain View Cemetery: | | |
| Restricted | <u>\$ 1,064,628</u> | <u>\$ 1,033,840</u> |
| Total Mountain View Cemetery | <u>\$ 1,064,628</u> | <u>\$ 1,033,840</u> |
| RMRA Redevelopment: | | |
| Unassigned | <u>\$ (743,134)</u> | <u>\$ (2,350,751)</u> |
| Total RMRA Redevelopment | <u>\$ (743,134)</u> | <u>\$ (2,350,751)</u> |
| Nonmajor Funds: | | |
| Special Revenue Funds: | | |
| Committed | \$ 299,648 | \$ 277,006 |
| Unassigned | (276,145) | (125,956) |
| Capital Projects Funds: | | |
| Committed | 774,453 | 850,838 |
| Unassigned | (13,652) | (10,900) |
| Permanent Funds: | | |
| Restricted | 1,085,626 | 987,848 |
| Total Nonmajor Funds | <u>\$ 1,869,930</u> | <u>\$ 1,978,836</u> |

The general fund total fund balance decreased by \$111,869 from the prior fiscal year. The sewer operation total fund balance increased by \$364,105 from the prior

fiscal year. The Charles Wood total fund balance increased by \$10,167 from the prior fiscal year. The Mountain View Cemetery total fund balance increased by \$30,788 from the prior fiscal year. The RMRA Redevelopment total fund balance increased by \$1,607,617 from the prior fiscal year. The nonmajor fund balances decreased by \$108,906 from the prior fiscal year.

Table 4
Town of Camden, Maine
Changes in Unassigned Fund Balance - General Fund
June 30, 2016

| | |
|--|-------------------------|
| Unassigned Fund Balance June 30 Table 3 | \$ 1,388,434 |
| Unassigned Fund Balance July 1 Table 3 | <u>1,403,379</u> |
| | |
| Increase (Decrease) | <u><u>\$ 14,945</u></u> |
| | |
| Additions Schedule 1 | |
| Revenues surplus (deficit) | \$ 188,577 |
| Appropriations surplus (deficit) | 52,523 |
| | |
| Deductions Schedule 1 | |
| Use of Assigned fund balance | (150,000) |
| Use of Unassigned fund balance | (202,969) |
| | |
| Change in fund balance classification | |
| (Increase) decrease in Nonspendable | - |
| (Increase) decrease in Restricted | (97,658) |
| (Increase) decrease in Committed | (297,303) |
| (Increase) decrease in Assigned | <u>521,775</u> |
| | |
| Net increase (decrease) in Unassigned fund balance | <u><u>\$ 14,945</u></u> |

Proprietary funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The sewer department fund had a reduction in net position of \$430,464 from the prior year.

Budgetary Highlights

There were no significant differences between the original and final budget for the general fund.

The general fund actual revenues exceeded the budget by \$188,577. This was a result of all revenue categories being receipted in excess of budgeted amounts with the exception of other revenue.

The general fund actual expenditures were under budget by \$52,523. All expenditure categories were under budget with the exception of general government, public safety, leisure services, capital improvements and unclassified.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2016, the net book value of capital assets recorded by the Town increased by \$1,170,406. This increase is a result of capital additions of \$1,981,002 less current year depreciation expense of \$810,596. Refer to Note 4 of Notes to Financial Statements for additional information.

Table 5
Town of Camden, Maine
Capital Assets (Net of Depreciation)
June 30,

| | <u>2016</u> | <u>2015 (Restated)</u> |
|-----------------------------------|----------------------|----------------------------|
| Land | \$ 1,436,384 | \$ 1,436,384 |
| Construction in progress | 1,439,520 | 575,899 |
| Land improvements | 3,415,207 | 3,552,650 |
| Buildings and improvements | 3,982,296 | 4,108,176 |
| Machinery, equipment and vehicles | 4,343,399 | 4,516,945 |
| Infrastructure | <u>3,505,116</u> | <u>2,761,462</u> |
| Total | <u>\$ 18,121,922</u> | <u>\$ 16,951,516</u> |

Debt

At June 30, 2016, the Town had \$4,196,606 in bonds outstanding versus \$1,998,737 last year. Other obligations include capital leases payable, accrued compensated absences, and net pension liability. Refer to Note 6 of Notes to Financial Statements for more detailed information.

Economic Factors and Next Year's Budgets and Rates

The Town's unassigned fund balance has fallen below a sufficient level to sustain government operations for a period of approximately two months. However, the Town also maintains significant reserve accounts for future capital and program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Department at 29 Elm Street, Camden, Maine 04843.

TOWN OF CAMDEN, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2016

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 2,793,567 | \$ 20,374 | \$ 2,813,941 |
| Investments | 3,437,155 | - | 3,437,155 |
| Accounts receivable (net of allowance for uncollectibles): | | | |
| Taxes/liens | 950,365 | - | 950,365 |
| Other | 429,485 | - | 429,485 |
| Due from other governments | 6,771 | - | 6,771 |
| Inventory | 8,526 | - | 8,526 |
| Internal balances | 454,629 | (454,629) | - |
| Total current assets | 8,080,498 | (434,255) | 7,646,243 |
| Noncurrent assets: | | | |
| Capital assets: | | | |
| Land and other assets not being depreciated | 2,715,904 | 160,000 | 2,875,904 |
| Buildings and vehicles net of accumulated depreciation | 10,568,826 | 4,677,192 | 15,246,018 |
| Total noncurrent assets | 13,284,730 | 4,837,192 | 18,121,922 |
| TOTAL ASSETS | 21,365,228 | 4,402,937 | 25,768,165 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred outflows related to pensions | 877,328 | - | 877,328 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | 877,328 | - | 877,328 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 22,242,556 | \$ 4,402,937 | \$ 26,645,493 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 185,783 | \$ - | \$ 185,783 |
| Accrued payroll | 76,389 | - | 76,389 |
| Accrued expenses | 94,169 | - | 94,169 |
| Due to other governments | 7,820 | - | 7,820 |
| Current portion of long-term obligations | 572,336 | 25,580 | 597,916 |
| Total current liabilities | 936,497 | 25,580 | 962,077 |
| Noncurrent liabilities | | | |
| Noncurrent portion of long-term obligations: | | | |
| Bonds payable | 3,842,191 | - | 3,842,191 |
| Capital leases payable | 425,347 | - | 425,347 |
| Accrued compensated absences | 295,983 | - | 295,983 |
| Net pension liability | 1,329,107 | - | 1,329,107 |
| Total noncurrent liabilities | 5,892,628 | - | 5,892,628 |
| TOTAL LIABILITIES | 6,829,125 | 25,580 | 6,854,705 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Prepaid taxes | 131 | - | 131 |
| Deferred inflows related to pensions | 681,327 | - | 681,327 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 681,458 | - | 681,458 |
| NET POSITION | | | |
| Net investment in capital assets | 8,518,852 | 4,837,192 | 13,356,044 |
| Restricted | 4,099,722 | - | 4,099,722 |
| Unrestricted (deficit) | 2,113,399 | (459,835) | 1,653,564 |
| TOTAL NET POSITION | 14,731,973 | 4,377,357 | 19,109,330 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 22,242,556 | \$ 4,402,937 | \$ 26,645,493 |

See accompanying independent auditors' report and notes to financial statements.

STATEMENT B

TOWN OF CAMDEN, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue & Changes in Net Position | | |
|----------------------------------|---------------|-------------------------|--|--------------------------------------|--|---------------------------------|----------------|
| | | Charges for Services | Operating Grants & Contributions | Capital Grants & Contributions | Governmental Activities | Business- type Activities | Total |
| | | | | | | | |
| <u>Governmental activities:</u> | | | | | | | |
| General government | \$ 2,158,407 | \$ 236,026 | \$ - | \$ - | \$ (1,922,381) | \$ - | \$ (1,922,381) |
| Public safety | 2,040,290 | 18,360 | - | - | (2,021,930) | - | (2,021,930) |
| Public services | 1,175,310 | - | - | 54,696 | (1,120,614) | - | (1,120,614) |
| Health and welfare | 6,150 | - | 6,387 | - | 237 | - | 237 |
| Leisure services | 995,980 | 305,533 | - | - | (690,447) | - | (690,447) |
| Cemeteries | 80,877 | 50,000 | - | - | (30,877) | - | (30,877) |
| Education | 10,511,615 | - | - | - | (10,511,615) | - | (10,511,615) |
| County tax | 1,124,041 | - | - | - | (1,124,041) | - | (1,124,041) |
| Capital outlay | 110,348 | - | - | - | (110,348) | - | (110,348) |
| Interest on long-term debt | 64,768 | - | - | - | (64,768) | - | (64,768) |
| MCSWC assesment | 202,969 | - | - | - | (202,969) | - | (202,969) |
| Unclassified | 1,778,735 | 1,196,877 | - | - | (581,858) | - | (581,858) |
| Total governmental activities | 20,249,490 | 1,806,796 | 6,387 | 54,696 | (18,381,611) | - | (18,381,611) |
| <u>Business-type activities:</u> | | | | | | | |
| Camden Snow Bowl | 1,158,105 | 641,129 | - | - | - | (516,976) | (516,976) |
| Total business-type activities | 1,158,105 | 641,129 | - | - | - | (516,976) | (516,976) |
| Total government | \$ 21,407,595 | \$ 2,447,925 | \$ 6,387 | \$ 54,696 | (18,381,611) | (516,976) | (18,898,587) |

STATEMENT B (CONTINUED)

TOWN OF CAMDEN, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

| | Governmental Activities | Business- type Activities | Total |
|---|----------------------------|---------------------------------|----------------------|
| Changes in net position: | | | |
| Net (expense) revenue | (18,381,611) | (516,976) | (18,898,587) |
| General revenues: | | | |
| Taxes: | | | |
| Property taxes, levied for general purposes | 16,878,102 | - | 16,878,102 |
| Excise taxes | 1,014,332 | - | 1,014,332 |
| Grants and contributions not restricted to specific programs | 386,026 | - | 386,026 |
| Investment income, net of unrealized gains/(losses) | 250,226 | - | 250,226 |
| Miscellaneous | 877,060 | 66,512 | 943,572 |
| Transfers | (20,000) | 20,000 | - |
| Total general revenues and transfers | 19,385,746 | 86,512 | 19,472,258 |
| Change in net position | 1,004,135 | (430,464) | 573,671 |
| NET POSITION - JULY 1, RESTATED | 13,727,838 | 4,807,821 | 18,535,659 |
| NET POSITION - JUNE 30 | <u>\$ 14,731,973</u> | <u>\$ 4,377,357</u> | <u>\$ 19,109,330</u> |

See accompanying independent auditors' report and notes to financial statements.

STATEMENT C

TOWN OF CAMDEN, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016

| | General Fund | Sewer Operation | Charles Wood Fund | Mountain View Cemetery | RMRA Redevelopment | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|--------------------|----------------------|---------------------------|-----------------------|--------------------------------|--------------------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 2,238,094 | \$ - | \$ 71,162 | \$ 32,353 | \$ - | \$ 451,958 | \$ 2,793,567 |
| Investments | - | - | 1,766,543 | 1,038,314 | - | 632,298 | 3,437,155 |
| Accounts receivables (net of allowance for uncollectibles): | | | | | | | |
| Taxes/liens | 950,365 | - | - | - | - | - | 950,365 |
| Other | 89,676 | 339,809 | - | - | - | - | 429,485 |
| Due from other governments | 6,771 | - | - | - | - | - | 6,771 |
| Inventory | 8,526 | - | - | - | - | - | 8,526 |
| Due from other funds | 1,497,393 | 223,186 | 14,105 | - | - | 1,079,265 | 2,813,949 |
| TOTAL ASSETS | \$ 4,790,825 | \$ 562,995 | \$ 1,851,810 | \$ 1,070,667 | \$ - | \$ 2,163,521 | \$ 10,439,818 |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ 185,783 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 185,783 |
| Accrued payroll | 69,395 | 6,994 | - | - | - | - | 76,389 |
| Accrued expenses | 94,169 | - | - | - | - | - | 94,169 |
| Due to other governments | 7,820 | - | - | - | - | - | 7,820 |
| Due to other funds | 1,316,556 | - | - | 6,039 | 743,134 | 293,591 | 2,359,320 |
| TOTAL LIABILITIES | 1,673,723 | 6,994 | - | 6,039 | 743,134 | 293,591 | 2,723,481 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Prepaid taxes | 131 | - | - | - | - | - | 131 |
| Deferred tax revenues | 331,880 | - | - | - | - | - | 331,880 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 332,011 | - | - | - | - | - | 332,011 |
| FUND BALANCES (DEFICITS) | | | | | | | |
| Nonspendable | 8,526 | - | - | - | - | - | 8,526 |
| Restricted | 97,658 | - | 1,851,810 | 1,064,628 | - | 1,085,626 | 4,099,722 |
| Committed | 297,303 | - | - | - | - | 1,074,101 | 1,371,404 |
| Assigned | 978,225 | 556,001 | - | - | - | - | 1,534,226 |
| Unassigned | 1,403,379 | - | - | - | (743,134) | (289,797) | 370,448 |
| TOTAL FUND BALANCES (DEFICITS) | 2,785,091 | 556,001 | 1,851,810 | 1,064,628 | (743,134) | 1,869,930 | 7,384,326 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS) | \$ 4,790,825 | \$ 562,995 | \$ 1,851,810 | \$ 1,070,667 | \$ - | \$ 2,163,521 | \$ 10,439,818 |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

| | Total Governmental Funds |
|---|--------------------------------|
| Total Fund Balances | \$ 7,384,326 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation | 13,284,730 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above: | |
| Taxes and liens receivable | 331,880 |
| Deferred outflows of resources related to pensions are not financial resources and therefore are not reported in the funds | 877,328 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: | |
| Bonds payable | (4,196,606) |
| Capital leases payable | (569,272) |
| Accrued compensated absences | (369,979) |
| Net pension liability | (1,329,107) |
| Deferred inflows of resources related to pensions are not financial resources and therefore are not reported in the funds | (681,327) |
| Net position of governmental activities | <u>\$ 14,731,973</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

| | General Fund | Sewer Operation | Charles Wood Fund | Mountain View Cemetery | RMRA Redevelopment | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|--------------------|----------------------|---------------------------|-----------------------|--------------------------------|--------------------------------|
| REVENUES | | | | | | | |
| General tax revenue | \$ 17,825,734 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 17,825,734 |
| Intergovernmental revenue | 409,236 | - | - | - | - | 37,873 | 447,109 |
| License and permits | 184,264 | - | - | - | - | - | 184,264 |
| Charges for services | 425,655 | 1,196,877 | - | - | - | - | 1,622,532 |
| Investment income, net of unrealized gains/(losses) | 5,024 | - | 61,495 | 36,110 | - | 147,597 | 250,226 |
| Other revenue | 58,213 | - | - | - | 506,979 | 311,868 | 877,060 |
| TOTAL REVENUES | <u>18,908,126</u> | <u>1,196,877</u> | <u>61,495</u> | <u>36,110</u> | <u>506,979</u> | <u>497,338</u> | <u>21,206,925</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General government | 1,842,949 | - | - | - | - | - | 1,842,949 |
| Public safety | 1,933,652 | - | - | - | - | - | 1,933,652 |
| Public services | 1,313,785 | - | - | - | - | - | 1,313,785 |
| Health and welfare | 6,150 | - | - | - | - | - | 6,150 |
| Leisure services | 979,982 | - | - | - | - | - | 979,982 |
| Cemeteries | 80,877 | - | - | - | - | - | 80,877 |
| Education | 10,511,615 | - | - | - | - | - | 10,511,615 |
| County tax | 1,124,041 | - | - | - | - | - | 1,124,041 |
| Debt service: | | | | | | | |
| Principal | 506,252 | - | - | - | - | - | 506,252 |
| Interest | 101,622 | - | - | - | - | - | 101,622 |
| Capital improvements | 241,468 | 524,615 | - | - | 863,621 | 65,333 | 1,695,037 |
| MCSWC assesment | 202,969 | - | - | - | - | - | 202,969 |
| Unclassified | 90,374 | 839,157 | 51,328 | 5,322 | - | 659,911 | 1,646,092 |
| TOTAL EXPENDITURES | <u>18,935,736</u> | <u>1,363,772</u> | <u>51,328</u> | <u>5,322</u> | <u>863,621</u> | <u>725,244</u> | <u>21,945,023</u> |
| EXCESS REVENUES OVER (UNDER) EXPENDITURES | <u>(27,610)</u> | <u>(166,895)</u> | <u>10,167</u> | <u>30,788</u> | <u>(356,642)</u> | <u>(227,906)</u> | <u>(738,098)</u> |
| OTHER FINANCING SOURCES | | | | | | | |
| Bond proceeds | 2,550,000 | - | - | - | - | - | 2,550,000 |
| Transfers in | - | 531,000 | - | - | 1,964,259 | 119,000 | 2,614,259 |
| Transfers (out) | (2,634,259) | - | - | - | - | - | (2,634,259) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(84,259)</u> | <u>531,000</u> | <u>-</u> | <u>-</u> | <u>1,964,259</u> | <u>119,000</u> | <u>2,530,000</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | (111,869) | 364,105 | 10,167 | 30,788 | 1,607,617 | (108,906) | 1,791,902 |
| FUND BALANCES (DEFICITS) - JULY 1, RESTATED | <u>2,896,960</u> | <u>191,896</u> | <u>1,841,643</u> | <u>1,033,840</u> | <u>(2,350,751)</u> | <u>1,978,836</u> | <u>5,592,424</u> |
| FUND BALANCES (DEFICITS) - JUNE 30 | <u>\$ 2,785,091</u> | <u>\$ 556,001</u> | <u>\$ 1,851,810</u> | <u>\$ 1,064,628</u> | <u>\$ (743,134)</u> | <u>\$ 1,869,930</u> | <u>\$ 7,384,326</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

| | |
|---|---------------------|
| Net change in fund balances - total governmental funds (Statement E) | <u>\$ 1,791,902</u> |
| Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because: | |
| Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets: | |
| Capital asset acquisitions | 1,935,225 |
| Depreciation expense | <u>(597,844)</u> |
| | <u>1,337,381</u> |
| Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds | <u>550,397</u> |
| Revenues in the Statement of Activities that do not provide current financial resources are not reported. | |
| Taxes and liens receivable | <u>66,700</u> |
| Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position | <u>(2,550,000)</u> |
| Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position | <u>506,252</u> |
| Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds | <u>(27,302)</u> |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds: | |
| Accrued interest | 36,854 |
| Accrued compensated absences | 5,252 |
| Net pension liability | <u>(713,301)</u> |
| | <u>(671,195)</u> |
| Change in net position of governmental activities (Statement B) | <u>\$ 1,004,135</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2016

| | Enterprise Fund Camden Snow Bowl |
|---|---|
| ASSETS | |
| Current assets: | |
| Cash and cash equivalents | \$ 20,374 |
| Due from other funds | - |
| Total current assets | <u>20,374</u> |
| Noncurrent assets: | |
| Capital assets: | |
| Land | 160,000 |
| Land improvements | 1,814,298 |
| Buildings and improvements | 179,777 |
| Machinery, equipment and vehicles | 3,307,565 |
| Total capital assets | <u>5,461,640</u> |
| Less: accumulated depreciation | <u>(624,448)</u> |
| Total noncurrent assets | <u>4,837,192</u> |
| TOTAL ASSETS | <u><u>\$ 4,857,566</u></u> |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | \$ - |
| Due to other funds | 454,629 |
| Current portion of long-term obligations | 25,580 |
| Total current liabilities | <u>480,209</u> |
| TOTAL LIABILITIES | <u>480,209</u> |
| NET POSITION | |
| Net investment in capital assets | 4,837,192 |
| Restricted | - |
| Unrestricted (deficit) | <u>(459,835)</u> |
| TOTAL NET POSITION | <u><u>4,377,357</u></u> |
| TOTAL LIABILITIES AND NET POSITION | <u><u>\$ 4,857,566</u></u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Enterprise Fund Camden Snow Bowl |
|--|---|
| OPERATING REVENUES | |
| Lodge rental | \$ 4,100 |
| Lift tickets | 395,867 |
| Toboggan and tube income | 77,014 |
| Lesson and racing fees | 99,979 |
| Rental Income | 38,754 |
| Food and merchandise | 25,415 |
| Other | 66,512 |
| TOTAL OPERATING REVENUES | <u>707,641</u> |
| OPERATING EXPENSES | |
| Administration | 234,953 |
| Lodge | 51,806 |
| Maintenance Shop | 5,464 |
| Alpine | 575,604 |
| Rental Shop | 30,295 |
| Toboggan Chute | 6,186 |
| Toboggan Nationals | 33,070 |
| Snow Bowl reserves | 7,975 |
| Depreciation | 212,752 |
| TOTAL OPERATING EXPENSES | <u>1,158,105</u> |
| OPERATING INCOME (LOSS) | <u>(450,464)</u> |
| NONOPERATING REVENUES (EXPENSES) | |
| Interest income | - |
| Interest expense | - |
| TOTAL NONOPERATING REVENUES (EXPENSES) | <u>-</u> |
| NET INCOME (LOSS) BEFORE TRANSFERS | <u>(450,464)</u> |
| TRANSFERS | |
| Transfers in | 20,000 |
| Transfers out | - |
| TOTAL TRANSFERS | <u>20,000</u> |
| CHANGE IN NET POSITION | (430,464) |
| NET POSITION - JULY 1, RESTATED | <u>4,807,821</u> |
| NET POSITION - JUNE 30 | <u><u>\$ 4,377,357</u></u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

| | Enterprise Fund Camden Snow Bowl |
|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers | \$ 641,129 |
| Other receipts | 66,512 |
| Internal activity - receipts (payments) from/to other funds | 270,045 |
| Payments to employees | (243,935) |
| Payments to suppliers | (710,400) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>23,351</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Transfers | 20,000 |
| NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES | <u>20,000</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| (Purchase) sale of capital assets | (45,777) |
| NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES | <u>(45,777)</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (2,426) |
| CASH AND CASH EQUIVALENTS - JULY 1 | <u>22,800</u> |
| CASH AND CASH EQUIVALENTS - JUNE 30 | <u><u>\$ 20,374</u></u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | |
| Operating income (loss) | \$ (450,464) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | |
| Depreciation and amortization expense | 212,752 |
| Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources: | |
| (Decrease) increase in due to other funds | 270,045 |
| (Decrease) increase in compensated absences | (8,982) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u><u>\$ 23,351</u></u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

STATEMENT OF NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2016

| | <u>Agency Funds</u> |
|---------------------------|---------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 271 |
| Investments | 1,912 |
| Accounts receivable | <u>29,357</u> |
| TOTAL ASSETS | <u>\$ 31,540</u> |
| LIABILITIES | |
| Due to other governments | \$ 6,771 |
| Deposits held for others | <u>24,769</u> |
| TOTAL LIABILITIES | <u>\$ 31,540</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Camden was incorporated under the laws of the State of Maine. The Town operates under Town selectmen-manager form of government and provides the following services: general government, public safety, public services, health and welfare, leisure services and education.

The Town's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Town has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Town has chosen not to do so.

The Town's combined financial statements include all accounts and all operations of the Town. We have determined that the Town has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

Implementation of New Accounting Standards

During the year ended June 30, 2016, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 72, "*Fair Value Measurement and Application*". The objective of the Statement is to expand comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will improve fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*". The objective of the Statement is to improve financial reporting by instituting a single framework for the presentation of information about pensions, thereby expanding the comparability of pension-related

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

information reported by state and local governments. Management has determined that this Statement is not applicable.

Statement No. 76, "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*". The objective of this Statement is to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. Management has determined the impact of this Statement is not material to the financial statements.

Statement No. 79, "*Certain External Investment Pools and Pool Participants*". This Statement establishes specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

This Statement also establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's Camden Snow Bowl fund is categorized as a business-type activity. All other activities of the Town are categorized as governmental.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions and business-type activities (general government, public safety, etc.). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, miscellaneous revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the most part, the interfund activity has been eliminated from these government-wide financial statements.

The net costs (by function) are normally covered by general revenue (taxes, certain intergovernmental revenues and charges for services, etc.).

The Town does not allocate indirect costs. All costs are charged directly to the corresponding department.

The government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Measurement Focus - Basic Financial Statements & Fund Financial Statements

The financial transactions of the Town are reported in the individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. The following fund types are used by the Town:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

resources) rather than upon net income. The following is a description of the governmental funds of the Town:

Major Funds

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Sewer Operation Fund is used to account for sewer fees that are used for purposes related to the sewer.
- c. The Charles Wood Fund is used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.
- d. The Mountain View Cemetery Fund is used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.
- e. The RMRA Redevelopment Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment related to Ragged Mountain.

Nonmajor Funds

- f. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- g. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- h. Permanent Funds are used to account for assets held by the Town that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. The Town's policy for authorizing and spending investment income follows State statutes.

2. Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Non-operating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary funds of the Town:

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column, GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Governmental activities in the government-wide financial statements and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Budget

The Town's policy is to adopt an annual budget for operations. The budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing budgetary data reflected in the financial statements:

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.
3. The budget was adopted subsequent to passage by the inhabitants of the Town.
4. The Town does not adopt budgets for Special Revenue Funds.

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Town's policy to value investments at fair value. None of the Town's investments are reported at amortized cost. For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be a cash equivalent. The Town Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities.
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations.
- Prime bankers' acceptances
- Prime commercial papers
- Repurchase agreements whose underlying collateral consist of the foregoing
- Money market mutual funds whose portfolios consist of the foregoing

It is the policy of the Town of Camden, Maine to invest public funds in a manner in which will provide safety of principal with a market rate of return while meeting the daily cash flow demands of the Town, and conforming to all state and local statutes governing the investment of public funds.

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). The general fund inventory consists of diesel fuel and gasoline.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Allowance for Uncollectible Accounts

Allowances for uncollectible accounts are maintained on certain receivables that historically experience collectible amounts. Allowances are based on collection experience and management's evaluation of the current status of those receivables. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2016.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals, and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. The Town has not retroactively recorded infrastructure.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimated useful lives are as follows:

| | |
|-------------------------|----------------|
| Buildings | 20 - 50 years |
| Infrastructure | 50 - 100 years |
| Machinery and equipment | 3 - 50 years |
| Vehicles | 3 - 25 years |

Long-term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in government-wide statements. The long-term debt consists primarily of bonds payable, capital leases payable, compensated absences and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

The Town's policies regarding vacation and sick time do permit employees to accumulate earned but unused vacation and sick leave. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2016, the Town's liability for compensated absences is \$395,559.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Participating Local District (PLD) Consolidated Plan and additions to/deductions from the PLD Consolidated Plan's fiduciary net position have been determined on the same basis as they are reported by the PLD Consolidated Plan. For this purpose, benefit payments (including refunds of

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – This includes amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted – This includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – This includes amounts that can be used only for specific purposes determined by a formal action of the inhabitants of the Town. The inhabitants of the Town through Town meetings are the highest level of decision-making authority of the Town. Commitments may be established, modified, or rescinded only through a Town meeting vote.

Assigned – This includes amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The authority for assigning fund balance is expressed by the Board of Selectmen.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned – This includes all other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town meeting vote has provided otherwise in its commitment or assignment actions.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has only one type of item, deferred outflows related to pensions. This item is reported in the statement of net position.

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has only one type of item, deferred tax revenues, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item is reported in the governmental funds balance sheet. Prepaid taxes also qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pensions qualify for reporting in this category as well. This item is reported only in the statement of net position. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied September 22, 2015 on the assessed value listed as of April 1, 2015, for all real and personal property located in the Town. Taxes were due in two installments on November 16, 2015 and May 16, 2016. Interest on unpaid taxes commenced on November 17, 2015 and May 17, 2016, at 7% per annum.

Property tax revenues are recognized when they become available. Available includes those property tax receivables expected to be collected within sixty days after year end. The remaining receivables have been recorded as deferred revenues.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$39,866 for the year ended June 30, 2016.

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services, or privileges provided; operating or capital grants and contributions, including special assessments).

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end. The Town does not utilize encumbrance accounting for its general fund.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

During the preparation of the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town's investment policies, which follow state statutes, require that all investments be made considering the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Town funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits. The Town does not have a policy covering custodial credit risk for deposits. However, the Town maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF as defined in Title 30-A, Section 5706 of the Maine Revised Statutes. At June 30, 2016, the Town's cash balance of \$2,814,212 was comprised of bank deposits amounting to \$2,795,049. Of these bank deposits, \$258,507 was insured by federal depository insurance and consequently was not exposed to custodial credit risk and \$107,097 was covered by the Securities Investor Protection Corporation (SIPC). The remaining bank deposits of \$2,429,445 were collateralized with securities held by the financial institution in the Town's name or an irrevocable stand-by letter of credit.

| <u>Account Type</u> | <u>Bank Balance</u> |
|---------------------------|-------------------------|
| Checking accounts | \$ 2,679,445 |
| Savings accounts | 8,507 |
| Cash and cash equivalents | 107,097 |
| | <u>\$ 2,795,049</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments. However, in accordance with its investment policy, the Town seeks to minimize custodial credit risk by doing business with authorized institutions, depositories and broker/dealers.

Of the Town's investments of \$3,439,067, \$1,912 was fully covered by federal depository insurance and consequently was not exposed to custodial credit risk, and \$392,903 was covered by the Securities Investor Protection Corporation (SIPC). The remaining investments of \$3,044,252 were uninsured and uncollateralized.

At June 30, 2016, the Town had the following investments and maturities:

| Investment Type | Fair Value | N/A | < 1 Year | 1 - 5 Years | > 5 Years |
|-------------------------------|---------------------|---------------------|-------------------|-------------------|-------------------|
| Debt securities: | | | | | |
| Corporate bonds | \$ 1,154,264 | \$ - | \$ 160,447 | \$ 573,836 | \$ 419,981 |
| Equity securities: | | | | | |
| Mutual funds: | | | | | |
| Equities | 2,179,495 | 2,179,495 | - | - | - |
| Real estate investment trusts | 68,166 | 68,166 | - | - | - |
| Exchange traded funds | 35,230 | 35,230 | - | - | - |
| Certificates of deposit | 1,912 | - | - | - | 1,912 |
| | <u>\$ 3,439,067</u> | <u>\$ 2,282,891</u> | <u>\$ 160,447</u> | <u>\$ 573,836</u> | <u>\$ 421,893</u> |

Fair Value Hierarchy

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as June 30, 2016:

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

| | June 30, 2016 Total | Fair Value Measurements Using | | |
|---|------------------------|--|--|--|
| | | Quoted Prices in Active Markets for Identical Assets (Level I) | Significant Other Observable Inputs (Level II) | Significant Unobservable Inputs (Level III) |
| <u>Investments by fair value level</u> | | | | |
| Debt securities: | | | | |
| Corporate bonds | \$ 1,154,264 | \$ - | \$ 1,154,264 | \$ - |
| Total debt securities | <u>1,154,264</u> | <u>-</u> | <u>1,154,264</u> | <u>-</u> |
| Equity securities: | | | | |
| Mutual funds and exchange traded funds | 2,214,725 | 2,214,725 | - | - |
| Real estate investment trusts | 68,166 | 68,166 | - | - |
| Total equity securities | <u>2,282,891</u> | <u>2,282,891</u> | <u>-</u> | <u>-</u> |
| Total investments by fair value level | <u>3,437,155</u> | <u>\$ 2,282,891</u> | <u>\$ 1,154,264</u> | <u>\$ -</u> |
| <u>Cash equivalents measured at the net asset value (NAV)</u> | | | | |
| Money market mutual funds | 107,097 | | | |
| Total cash equivalents measured at the NAV | <u>107,097</u> | | | |
| Total investments and cash equivalents measured at fair value | <u>\$ 3,544,252</u> | | | |

Equity securities classified in Level I of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued from publicly reliable sources or using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Town has no Level 3 investments. The fair value of money market mutual funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2016 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies. Certificates of deposit held with local financial institutions for \$1,912 are excluded from the hierarchy as these investments are considered held to maturity and are therefore not measured at fair value.

Credit risk – Statutes for the State of Maine authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. The Town does not have an investment policy on credit risk. Generally, the Town invests excess funds in repurchase agreements, savings accounts and various insured certificates of deposit. Certain long-term trust funds are invested through a financial institution with trust powers in a mix of securities that comply with state and federal regulations to provide long-term growth and income. As of June 30, 2016 the Town's investments in corporate bonds were rated AA (\$103,308), AA- (50,683), A+ (\$329,215), A (\$442,627), A- (\$52,986), BBB+ (\$76,416), BBB (\$99,029) by Standard & Poor's Rating Service.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk – is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2016 consisted of the following individual fund receivables and payables.

| | Receivables (Due from) | Payables (Due to) |
|---------------------------------|---------------------------|----------------------|
| General fund | \$ 1,497,393 | \$ 1,316,556 |
| Sewer Operations | 223,186 | - |
| Charles Wood Fund | 14,105 | - |
| Mountain View Cemetery | - | 6,039 |
| RMRA Development | - | 743,134 |
| Nonmajor special revenue funds | 291,141 | 276,145 |
| Nonmajor capital projects funds | 774,453 | 13,652 |
| Nonmajor permanent funds | 13,671 | 3,794 |
| Proprietary funds | - | 454,629 |
| | <u>\$ 2,813,949</u> | <u>\$ 2,813,949</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2016:

| | Balance, 7/1/15 (Restated) | Additions | Disposals | Balance, 6/30/16 |
|-----------------------------------|----------------------------------|---------------------|-------------|----------------------|
| <u>Governmental activities</u> | | | | |
| Non-depreciated assets: | | | | |
| Land | \$ 1,276,384 | \$ - | \$ - | \$ 1,276,384 |
| Construction in progress | 575,899 | 863,621 | - | 1,439,520 |
| | <u>1,852,283</u> | <u>863,621</u> | <u>-</u> | <u>2,715,904</u> |
| Depreciated assets: | | | | |
| Land improvements | 2,415,957 | - | - | 2,415,957 |
| Buildings and improvements | 7,240,761 | - | - | 7,240,761 |
| Machinery, equipment and vehicles | 4,422,845 | 204,244 | - | 4,627,089 |
| Infrastructure | 4,067,053 | 867,360 | - | 4,934,413 |
| | <u>18,146,616</u> | <u>1,071,604</u> | <u>-</u> | <u>19,218,220</u> |
| Less: accumulated depreciation | <u>(8,051,550)</u> | <u>(597,844)</u> | <u>-</u> | <u>(8,649,394)</u> |
| | <u>10,095,066</u> | <u>473,760</u> | <u>-</u> | <u>10,568,826</u> |
| Net capital assets | <u>\$ 11,947,349</u> | <u>\$ 1,337,381</u> | <u>\$ -</u> | <u>\$ 13,284,730</u> |
| | | | | |
| | Balance, 7/1/15 (Restated) | Additions | Disposals | Balance, 6/30/16 |
| <u>Business-type activities</u> | | | | |
| Non-depreciated assets: | | | | |
| Land | \$ 160,000 | \$ - | \$ - | \$ 160,000 |
| | <u>160,000</u> | <u>-</u> | <u>-</u> | <u>160,000</u> |
| Depreciated assets: | | | | |
| Land improvements | 1,814,298 | - | - | 1,814,298 |
| Buildings and improvements | 162,000 | 17,777 | - | 179,777 |
| Machinery, equipment and vehicles | 3,279,565 | 28,000 | - | 3,307,565 |
| | <u>5,255,863</u> | <u>45,777</u> | <u>-</u> | <u>5,301,640</u> |
| Less: accumulated depreciation | <u>(411,696)</u> | <u>(212,752)</u> | <u>-</u> | <u>(624,448)</u> |
| | <u>4,844,167</u> | <u>(166,975)</u> | <u>-</u> | <u>4,677,192</u> |
| Net capital assets | <u>\$ 5,004,167</u> | <u>\$ (166,975)</u> | <u>\$ -</u> | <u>\$ 4,837,192</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Current year depreciation expense:

| | | |
|----------------------------|----|----------------|
| General government | \$ | 130,504 |
| Public safety | | 106,638 |
| Public works | | 183,144 |
| Leisure services | | 44,916 |
| Wastewater | | 132,642 |
| Subtotal governmental | | <u>597,844</u> |
| Camden Snowbowl | | 212,752 |
| Subtotal business-type | | <u>212,752</u> |
| Total depreciation expense | \$ | <u>810,596</u> |

NOTE 5 - SHORT-TERM DEBT

On February 6, 2015, the Town issued a bond anticipation note in anticipation of bond revenues to meet its operating obligations during the fiscal year. The note, a line of credit, allowed principal draws up to \$2,550,000 at .65% interest with a maturity date of August 17, 2015.

On July 7, 2015 the Town issued a tax anticipation note in anticipation of tax revenues to meet its operating obligations during the fiscal year. The note, a line of credit, allowed principal draws up to \$1,650,000 at 0.77% interest with a maturity date of May 31, 2016.

Short-term debt activity for the year ended June 30, 2016, was as follows:

| | Balance, 7/1/15 (Restated) | Additions | Reductions | Balance, 6/30/16 |
|------------------------|----------------------------------|---------------------|-----------------------|---------------------|
| Bond anticipation note | \$ 1,200,000 | \$ - | \$ (1,200,000) | \$ - |
| Tax anticipation note | - | 1,650,000 | (1,650,000) | - |
| Totals | <u>\$ 1,200,000</u> | <u>\$ 1,650,000</u> | <u>\$ (2,850,000)</u> | <u>\$ -</u> |

On August 17, 2015 the bond anticipation note was paid in full. Interest expense for short-term debt activity during the year totaled \$3,483.

On May 31, 2016 the tax anticipation note was paid in full. Interest expense for short-term debt activity during the year totaled \$7,824.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2016:

| | Balance, 7/1/15 | Additions | Deletions | Balance, 6/30/16 | Due Within One Year |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------------|
| <u>Governmental Activities</u> | | | | | |
| Bonds payable | \$ 1,998,737 | \$ 2,550,000 | \$ (352,131) | \$ 4,196,606 | \$ 354,415 |
| Capital leases payable | 723,393 | - | (154,121) | 569,272 | 143,925 |
| Accrued compensated absences | 375,231 | - | (5,252) | 369,979 | 73,996 |
| Net pension liability | 615,806 | 740,603 | (27,302) | 1,329,107 | - |
| Total Governmental Activities | <u>\$ 3,713,167</u> | <u>\$ 3,290,603</u> | <u>\$ (538,806)</u> | <u>\$ 6,464,964</u> | <u>\$ 572,336</u> |
| <u>Business-type Activities</u> | | | | | |
| Accrued compensated absences | \$ 34,562 | \$ - | \$ (8,982) | \$ 25,580 | \$ 25,580 |
| Total Business-type Activities | <u>\$ 34,562</u> | <u>\$ -</u> | <u>\$ (8,982)</u> | <u>\$ 25,580</u> | <u>\$ 25,580</u> |

The following is a summary of the outstanding bonds payable:

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| <u>Bonds</u> | |
| Library bond - \$350,000 2003 General obligation bond with various interest rates. Due in annual principal payments of \$23,334 plus interest. Maturity in October of 2018. | \$ 70,002 |
| Public safety building - \$999,200 2003 General obligation bond with various interest rates. Due in annual principal payments of \$49,960 plus interest. Maturity in October of 2023 | 399,680 |
| Tannery building - \$ 836,000 2006 General obligation bond with interest rate of 3.79%. Due in annual principal and interest payments of \$60,783. Maturity in October of 2025. | 496,754 |
| Wastewater treatment plant - \$885,000 2007 General obligation bond with interest rate of 1.33%. Due in annual principal and interest payments of \$68,745. Maturity in October of 2021. | 375,170 |
| Wastewater Rawson Ave - \$660,000 2010 General obligation bond with interest rate of 1.00%. Due in annual principal payments of \$44,000 plus interest. Maturity in October of 2025. | 440,000 |
| \$2,555,000 2016 General obligation bond with interest rates from 3.00% - 3.50%. Annual principal payments of \$135,000 plus interest through 2025. Thereafter annual principal payments of \$80,000 plus interest through 2040. | 2,415,000 |
| | <u>\$ 4,196,606</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of outstanding bond principal and interest requirements for the following fiscal years ending June 30:

Governmental Activities

| | <u>Principal</u> | <u>Interest</u> | <u>Total Debt Service</u> |
|-----------|---------------------|---------------------|-------------------------------|
| 2017 | \$ 354,415 | \$ 124,674 | \$ 479,089 |
| 2018 | 356,872 | 115,015 | 471,887 |
| 2019 | 359,351 | 106,006 | 465,357 |
| 2020 | 338,571 | 96,485 | 435,056 |
| 2021 | 341,167 | 89,376 | 430,543 |
| 2022-2026 | 1,326,230 | 293,994 | 1,620,224 |
| 2027-2031 | 400,000 | 151,500 | 551,500 |
| 2032-2036 | 400,000 | 89,250 | 489,250 |
| 2037-2041 | 320,000 | 22,400 | 342,400 |
| | <u>\$ 4,196,606</u> | <u>\$ 1,088,700</u> | <u>\$ 5,285,306</u> |

No interest costs were capitalized during the period. The amount of interest costs incurred and charged to expense for the year ended June 30, 2016 was \$63,841.

All bonds payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of the outstanding capital leases payable:

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| <u>Capital Leases</u> | |
| Fire truck - 2013 Capital lease payable to Oshkosh Capital for fire truck, due in annual installments of \$67,198 through December of 2018. Interest is charged as a rate of 3.28 % per annum. | \$ 189,059 |
| Sidewalk snowplow - 2013 Capital lease payable to Gorham Leasing for sidewalk plow. Due in annual installments of \$15,176 through November of 2022. Interest is charged as a rate of 4.16% per annum. | 90,553 |
| Wheel loader - 2014 Capital lease payable to Gorham Leasing for case wheel loader. Due in annual installments of \$16,671 through December of 2019. Interest is charged as a rate of 3.39% per annum. | 61,395 |
| Dump truck - 2013 Capital lease payable to Gorham Leasing for Western Star dump truck. Due in annual installments of \$11,590 through December of 2019. Interest is charged as a rate of 3.39% per annum. | 42,684 |
| Plow assembly - 2013 Capital lease payable to Gorham Leasing for Aeverest plow assesmbly. Due in annual installments of \$10,552 through December of 2019. Interest is charged as a rate of 3.39% per annum. | 38,861 |
| International truck - 2015 Capital lease payable to Gorham Leasing for an International dump truck. Due in annual installments of \$14,974 through December of 2019. Interest is charged as a rate of 3.3% per annum. | 67,936 |
| T4 loader - 2015 Capital lease payable to Gorham Leasing for Case T4 loader. Due in annual installments of \$16,671 through April 2020. Interest is charged as a rate of 3.33% per annum. | 54,981 |
| Kubota tractor - 2015 Capital lease payable to Gorham Leasing for a Kubota tractor. Due in annual installments of \$12,414 through April 2018. Interest is charged as a rate of 2.86% per annum. | 23,803 |
| | <u>\$ 569,272</u> |

Future minimum payments, by year and in the aggregate, under these leases are as follows:

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| 2017 | \$ 163,436 |
| 2018 | 163,436 |
| 2019 | 151,022 |
| 2020 | 83,823 |
| 2021 | 30,151 |
| 2022-2026 | <u>30,352</u> |
| Total minimum lease payments | 622,220 |
| Less: Amount representing interest | <u>(52,948)</u> |
| Present value of future minimum lease payments | <u>\$ 569,272</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 - NONSPENDABLE FUND BALANCES

At June 30, 2016, the Town had the following nonspendable fund balances:

| | |
|---------------|-----------------|
| General fund: | |
| Inventory | \$ 8,526 |
| | <u>\$ 8,526</u> |

NOTE 8 - RESTRICTED FUND BALANCES

At June 30, 2016, the Town had the following restricted fund balances:

| | |
|--|---------------------|
| General fund: | |
| Unexpended Bond balance - RMRA Development | \$ 35,741 |
| Unexpended Bond balance - Sewer | 19,000 |
| TIF expenses | 42,917 |
| Charles Wood fund | 1,851,810 |
| Mountain View Cemetery | 1,064,628 |
| Nonmajor permanent funds (Schedule I) | 1,085,626 |
| | <u>\$ 4,099,722</u> |

NOTE 9 - COMMITTED FUND BALANCES

At June 30, 2016, the Town had the following committed fund balances:

| | |
|--|---------------------|
| General fund: | |
| Snow Bowl operational deficit - 2015 | \$ 81,000 |
| Snow Bowl operational deficit - 2016 | 216,303 |
| Nonmajor special revenue funds (Schedule E) | 299,648 |
| Nonmajor capital projects funds (Schedule G) | 774,453 |
| | <u>\$ 1,371,404</u> |

NOTE 10 - ASSIGNED FUND BALANCES

At June 30, 2016, the Town had the following assigned fund balances:

| | |
|------------------------------|---------------------|
| General fund: | |
| Carry forwards | \$ 85,091 |
| RMRA development contingency | 743,134 |
| Reduce 2017 tax commitment | 150,000 |
| Sewer Operation | 556,001 |
| | <u>\$ 1,534,226</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 11 - DEFICIT FUND BALANCES

At June 30, 2016, the Town had the following deficit fund balances:

| | |
|-------------------------------|---------------------|
| Tannery Riverwalk | \$ 2,525 |
| Route 105 Sidewalk Extension | 9,620 |
| Ship/Hoist Walkway Grant | 180,574 |
| Lupine Terrance Grant | 50 |
| Project Canopy | 7,171 |
| Oak Hill Cemetery Memorial | 3,170 |
| KNX | 835 |
| FICA/Medicare | 3,124 |
| Gasoline | 34,236 |
| English National Opera Series | 30 |
| Bob Berkley | 33 |
| Lucie Arnaz | 200 |
| Eilenn Ivers | 5,874 |
| Jungle Jack Hanna | 1,051 |
| Christine Lavin/Don White | 1,788 |
| Jon Rineman | 41 |
| Donald Pentleton | 3,286 |
| Seabright Hydro Fund | 22,537 |
| Economic Development | 1,771 |
| Fuel Depot Maintenance | 10,900 |
| Public Works Equipment | 981 |
| RMRA Redevelopment | 743,134 |
| | <u>\$ 1,032,931</u> |

NOTE 12 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of any defaulted debt by entities of which it is a member. As of June 30, 2016, the Town's share was as follows:

| | <u>Outstanding Debt</u> | <u>Town's Percentage</u> | <u>Total Share</u> |
|----------------|-----------------------------|------------------------------|------------------------|
| Five Town CSD | \$ 5,766,647 | 36.73% | \$ 2,118,089 |
| RSU No. 28 | 11,167,990 | 55.62% | 6,211,636 |
| County of Knox | 2,342,048 | 16.41% | 384,256 |
| | | | <u>\$ 8,713,982</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 - DEFINED BENEFIT PENSION PLAN

MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.mainebers.org or by contacting the System at (800) 451-9800.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with PLD employers under applicable statutory provisions.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 5.0%.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's employees are part of the PLD's plan "AC" and are required to contribute 7.5% of their annual salary and the Town is required to contribute at an actuarially determined rate. The current rate is 8.9% of covered payroll. The contribution rates of plan members and the Town are established and may be amended by the Maine Public Employee Retirement Systems advisory group. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended June 30, 2016 was \$206,453.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the Town reported a liability of \$1,329,107 for its proportionate share of the net pension liabilities for the plan. The net pension liabilities were measured as of June 30, 2015, and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2015, the Town's proportion was 0.416587%, which was an increase of 0.016404% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the Town recognized net pension expense of \$190,206. At June 30, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | PLD Plan | |
|---|-----------------------------------|----------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | \$ 53,665 | \$ 170,701 |
| Changes of assumptions | 117,458 | - |
| Net difference between projected and actual earnings on pension plan investments | 410,211 | 510,626 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 89,541 | - |
| Contributions subsequent to the measurement date | 206,453 | - |
| Total | <u>\$ 877,328</u> | <u>\$ 681,327</u> |

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

\$206,453 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| | PLD Plan |
|---------------------|-------------|
| Year ended June 30: | |
| 2017 | \$ (19,912) |
| 2018 | (19,912) |
| 2019 | (73,183) |
| 2020 | 102,553 |
| 2021 | - |
| Thereafter | - |

Actuarial Methods and Assumptions

The collective total pension liability for the Plan was determined by an actuarial valuation as of June 30, 2015 and 2014, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

The Entry Age Normal actuarial funding method is used to determine costs. Under this funding method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his or her expected future salary. The normal cost for each employee is the product of his or her pay and his or her normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which dampens the swing in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The net pension liability of the PLD Consolidated Plan is amortized on an open basis over a period of fifteen years.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2015 and June 30, 2014 are as follows:

Investment Rate of Return - For the PLD Plan, 7.125% per annum for the year ended June 30, 2015 and 7.25% per annum for the year ended June 30, 2014, compounded annually.

Salary Increases, Merit and Inflation - Members of the consolidated plan for PLDs, 3.50% to 9.50% per year.

Mortality Rates - For participating local districts, the RP2000 Tables projected forward to 2015 using Scale AA are used; for all recipients of disability benefits, the Revenue Ruling 96-7 Disabled Mortality Table for Males and Females is used.

Cost of Living Benefit Increases - 2.55% per annum for the year ended June 30, 2015 and 3.12% for the year ended June 30, 2014.

The long-term expected rate of return on pension plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as June 30, 2015 are summarized in the following table.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

| Asset Class | PLD Plan | |
|-----------------|-------------------|--|
| | Target Allocation | Long-term Expected Real Rate of Return |
| US equities | 20% | 5.2% |
| Non-US equities | 20% | 5.5% |
| Private equity | 10% | 7.6% |
| Real assets: | | |
| Real estate | 10% | 3.7% |
| Infrastructure | 10% | 4.0% |
| Hard assets | 5% | 4.8% |
| Fixed income | 25% | 0.7% |

Discount Rate

The discount rate used to measure the collective total pension liability was 7.125% for 2015 and 7.25% for 2014. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following table shows how the collective net pension liability/(asset) as of June 30, 2015 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 7.125% for the PLD Consolidated Plan.

| | 1% Decrease | Discount Rate | 1% Increase |
|--|----------------|------------------|----------------|
| <u>PLD Plan:</u> | | | |
| Discount rate | 6.125% | 7.125% | 8.125% |
| Town's proportionate share of the net pension liability | \$ 2,647,975 | \$ 1,329,107 | \$ 78,739 |

Changes in Net Pension Liability

Changes in net pension liability are recognized in pension expense for the year ended June 30, 2015 with the following exceptions.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 13 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. For 2015 and 2014, this was 4 years for the PLD Consolidated Plan.

Differences between Projected and Actual Investment Earnings

Differences between projected and actual investment earnings were recognized in pension expense using a straight-line amortization method over a closed five-year period.

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. For the PLD Plan, the discount rate was decreased from 7.25% to 7.125% and the cost of living benefit increase assumption was changed from 3.12% to 2.55%.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2015 Comprehensive Annual Financial Report available online at www.mainebers.org or by contacting the System at (800) 451-9800.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 14 - DEFERRED COMPENSATION PLAN

INTERNATIONAL CITY MANAGEMENT ASSOCIATION RETIREMENT
CORPORATION

A. Plan Description

The Town contributes to a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457 through the International City Management Association Retirement Corporation (ICMA-RC). The plan, available to all Town employees permits them to defer a portion of their salary, in addition to Town contributions until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) to be held in a trust for the exclusive benefit of the participants and their beneficiaries.

It is the opinion of the Town's management that the Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

B. Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the Town's Board of Selectmen. Generally, the Town will contribute 5 to 6% of annual salary for full-time employees that participate in the Town's deferred compensation plan. The Town will make a contribution to either MSRS or the ICMA plan, but not both.

The Town's contributions to the plan including employee contributions for 2016 was \$180,592.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 15 - EXPENDITURES OVER APPROPRIATIONS

At June 30, 2016, the Town had the following overspent appropriations:

| | |
|-------------------------------------|-------------------|
| Administration, assessing & finance | \$ 54,403 |
| Information technology | 29,046 |
| Insurance | 74,405 |
| Opera House/auditorium | 28,817 |
| Police department | 19,840 |
| Street lights | 4,152 |
| Tree program | 10,009 |
| Harbor and landing | 4,631 |
| Parks | 1,376 |
| Dams | 798 |
| Highway/street/bridges | 5,119 |
| Leisure services | 71,920 |
| Collection system | 3,511 |
| Contingency | 28,571 |
| | <u>\$ 253,149</u> |

NOTE 16 - CONTINGENCIES

With regard to pending legal claims or any unasserted claims, it is not feasible at this time to predict or determine their outcome. Management believes, however, that settlement amounts, if any, will not have a material adverse effect on the Town's financial position.

The Town participates in various intergovernmental grant programs which may be subject to future program compliance audits by the grantors or their representatives. Accordingly, the Town's compliance with applicable grant requirement may be established at some future date. The amount, if any, of any liabilities arising from the disallowance of expenditures or ineligibility of grant revenues cannot be determined at this time.

NOTE 17 - RISK MANAGEMENT - PARTICIPATION IN A PUBLIC ENTITY RISK POOL

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance or participates in a public entity and self-insured risk pool sponsored by the Maine Municipal Association.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 - RISK MANAGEMENT - PARTICIPATION IN A PUBLIC ENTITY RISK POOL (CONTINUED)

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2016. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 18 - TAX INCREMENT FINANCING DISTRICT

The Town has established a tax increment financing district in accordance with Maine statutes to finance development programs located in the Town of Camden, Maine. The expenditures from the development programs will be recovered in future years through an incremental tax levied upon the district's so called "captured assessed value". A portion of the incremental tax revenues will be returned to the district to repay principal and interest on any indebtedness, to fund the expenditures of the development program, and to finance future expansion.

Town of Camden Downtown Municipal Tax Increment Financing District

On March 26, 2010, the Camden Board of Selectmen, as well as the Maine Department of Economic and Community Development, approved a Tax Increment Financing District to expand and diversify the Town's tax base and improve its economy through commercial development. The area of the District is 37.81 acres. The potential projects that will be implemented under this Development Program include: improvements to harbor boardwalk and construction of footbridge, Riverwalk construction, dam improvements, sidewalk expansions and relocation of displaced parking, Opera House improvements, movie theater renovation, storm drainage infrastructure improvements and other infrastructure improvements related to sidewalks, parking and lighting. The original assessed value of the property is \$85,422,500. The Town anticipates over the life of the district that new development, rehabilitation, and redevelopment will result in approximately \$35,225,100 in new taxable value. Tax increment revenues generated from this value over the life of the district will be approximately \$1,970,740. The Development Program provides for 100% of the increase in assessed value of the District to be captured and designated as captured assessed value. The tax increment revenues will be deposited by the Town into the Development Program Fund for a period of 20 years. The Development Program Fund is pledged to and charged with the payment of the project costs in the manner provided in 30-A M.R.S.A. §5801.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016

NOTE 19 - RMRA REDEVELOPMENT PROJECT

As of June 30, 2016, the RMRA Redevelopment project experienced significant cost overruns and delays which resulted in a deficit balance of \$743,134. The Town has covered these cost overruns through its general fund operating cash. Ragged Mountain Recreation Area Foundation, a local non-profit organization, has been partnered with the Town on this project since the projects inception. There is continued discussion between the Town and the Foundation concerning this deficit balance and future reimbursements to be made to the Town. A detailed report dated April 12, 2017 outlining this matter is available at Town office.

NOTE 20 - COLLATERALIZATION

At June 30, 2016, the Town has an outstanding irrevocable standby letter of credit issued by the Federal Home Loan Bank of Boston serving as collateral for its deposits held at Camden National Bank. This letter of credit, which expires at the close of business on July 15, 2016, authorize one draw only up to the amount of \$6,000,000. There were no draws for the year ended June 30, 2016.

NOTE 21 - RESTATEMENTS

The beginning fund balances of the general fund and RMRA Redevelopment fund have been restated as of July 1, 2015. These balances were restated to correct the balances in the respective funds. The beginning fund balances of the general fund and RMRA Redevelopment fund were restated by \$33,515 and (\$33,515), respectively. The net restatement to the governmental activities was \$0.

The beginning fund balance of the Sewer Operations fund has been restated as of July 1, 2015. This balance was restated to adjust the bond anticipation note balance. The Sewer Operations fund was restated by (\$550,000)

The beginning net position of the governmental activities has been restated as of July 1, 2015. This balance was restated to correct the deferred outflows related to pensions and deferred inflows related to pensions balances. The business-type activities were restated by (\$91,644).

The beginning net position of the governmental activities has been restated as of July 1, 2015. This balance was restated to correct the accumulated depreciation balance. The governmental activities were restated by \$319,452.

The beginning net position of the business-type activities has been restated as of July 1, 2015. This balance was restated to correct the accumulated depreciation balance. The business-type activities were restated by \$37,768.

TOWN OF CAMDEN, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 21 - RESTATEMENTS (CONTINUED)

The net restatement to the general fund, RMRA Redevelopment fund, Sewer Operations fund, governmental activities and business-type activities was \$33,515, (\$33,515), (\$550,000), (\$322,192) and \$37,768, respectively.

NOTE 22 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Town's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Government Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions
- Notes to Required Supplementary Information

TOWN OF CAMDEN, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
 BUDGET AND ACTUAL – GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2016

| | Budgeted Amounts | | Actual | Variance |
|--|---------------------|---------------------|---------------------|------------------------|
| | Original | Final | Amounts | Positive (Negative) |
| Budgetary Fund Balance, July 1, Restated | \$ 2,896,960 | \$ 2,896,960 | \$ 2,896,960 | \$ - |
| Resources (Inflows): | | | | |
| General tax revenue | 17,696,255 | 17,696,255 | 17,825,734 | 129,479 |
| Intergovernmental revenue | 366,294 | 366,294 | 409,236 | 42,942 |
| License and permits | 162,000 | 162,000 | 184,264 | 22,264 |
| Charges for services | 420,500 | 420,500 | 425,655 | 5,155 |
| Investment income | 5,000 | 5,000 | 5,024 | 24 |
| Other revenue | 69,500 | 69,500 | 58,213 | (11,287) |
| Bond proceeds | 2,550,000 | 2,550,000 | 2,550,000 | - |
| Transfers from other funds | - | - | - | - |
| Amounts Available for Appropriation | <u>24,166,509</u> | <u>24,166,509</u> | <u>24,355,086</u> | <u>188,577</u> |
| Charges to Appropriations (Outflows): | | | | |
| General government | 1,684,689 | 1,684,689 | 1,842,949 | (158,260) |
| Public safety | 1,916,846 | 1,916,846 | 1,933,652 | (16,806) |
| Public services | 1,433,658 | 1,433,658 | 1,313,785 | 119,873 |
| Health and welfare | 6,150 | 6,150 | 6,150 | - |
| Leisure services | 976,094 | 976,094 | 979,982 | (3,888) |
| Cemeteries | 90,000 | 90,000 | 80,877 | 9,123 |
| Education | 10,511,615 | 10,511,615 | 10,511,615 | - |
| County tax | 1,124,041 | 1,124,041 | 1,124,041 | - |
| Debt service: | | | | |
| Principal | 528,673 | 528,673 | 506,252 | 22,421 |
| Interest | 147,000 | 147,000 | 101,622 | 45,378 |
| Capital improvements | 189,000 | 189,000 | 241,468 | (52,468) |
| MCSWC assessment | 202,969 | 202,969 | 202,969 | - |
| TIF financing | 42,917 | 42,917 | - | 42,917 |
| Unclassified | 79,866 | 79,866 | 90,374 | (10,508) |
| Transfers to other funds | 2,689,000 | 2,689,000 | 2,634,259 | 54,741 |
| Total Charges to Appropriations | <u>21,622,518</u> | <u>21,622,518</u> | <u>21,569,995</u> | <u>52,523</u> |
| Budgetary Fund Balance, June 30 | <u>\$ 2,543,991</u> | <u>\$ 2,543,991</u> | <u>\$ 2,785,091</u> | <u>\$ 241,100</u> |
| Utilization of unassigned fund balance | \$ 202,969 | \$ 202,969 | \$ - | \$ (202,969) |
| Utilization of committed fund balance | 150,000 | 150,000 | - | (150,000) |
| | <u>\$ 352,969</u> | <u>\$ 352,969</u> | <u>\$ -</u> | <u>\$ (352,969)</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

| | 2016 | 2015 | 2014 |
|--|--------------|--------------|--------------|
| <u>PLD Plan:</u> | | | |
| Proportion of the net pension liability | 0.42% | 0.40% | 0.37% |
| Proportionate share of the net pension liability | \$ 1,329,107 | \$ 615,806 | \$ 1,127,844 |
| Covered employee payroll | \$ 2,319,694 | \$ 2,183,154 | \$ 2,134,299 |
| Proportionate share of the net pension liability as a percentage of its covered employee payroll | 57.30% | 28.21% | 52.84% |
| Plan fiduciary net position as a percentage of the total pension liability | 88.27% | 94.10% | 87.50% |

* The amounts presented for each fiscal year were determined as of June 30, and are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS*

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|------------------|------------------|------------------|
| <u>PLD Plan:</u> | | | |
| Contractually required contribution | \$ 206,453 | \$ 170,286 | \$ 138,729 |
| Contributions in relation to the contractually required contribution | <u>(206,453)</u> | <u>(170,286)</u> | <u>(138,729)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered employee payroll | \$ 2,319,694 | \$ 2,183,154 | \$ 2,134,299 |
| Contributions as a percentage of covered employee payroll | 8.90% | 7.80% | 6.50% |

* The amounts presented for each fiscal year are for those years for which information is available.

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

Changes of Assumptions

There was a change in the investment rate of return assumption this year from 7.25% to 7.125%. This change was made in the other MainePERS Programs with the 2014 valuation, but is first being recognized in the PLD Consolidated Plan in 2015. In addition to this change, the cost of living benefit increase assumption was changed from 3.12% to 2.55%. Further, those PLDs who had an IUUAL Surplus account received a refund of that account. As a result, there will be no more IUUAL surplus payments reflected beginning with the 2015 valuation. Finally, the amortization methodology for the Pooled Unfunded Actuarial Liability (PUAL) was changed from a fifteen-year open level dollar method to a method where a separate twenty-year closed period is established annually for the gain or loss in that year with these amortizations being developed as a level percentage of payroll and amortizing the existing PUAL at the time of this change, July 1, 2015, over a closed fifteen-year period beginning on this date.

See accompanying independent auditors' report and notes to financial statements.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Government Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund Revenues
- Schedule of Departmental Operations - General Fund
- Combining Balance Sheet - Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
- Combining Balance Sheet - Nonmajor Special Revenue Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds
- Combining Balance Sheet - Nonmajor Capital Projects Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds
- Combining Balance Sheet - Nonmajor Permanent Funds
- Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Permanent Funds
- Schedule of General Capital Assets by Function
- Schedule of Changes in General Capital Assets by Function

TOWN OF CAMDEN, MAINE

BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS
BUDGET AND ACTUAL – GENERAL FUND REVENUES
FOR THE YEAR ENDED JUNE 30, 2016

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|-----------------------------|----------------------|----------------------|----------------------|------------------------------------|
| REVENUES | | | | |
| General tax revenues: | | | | |
| Property taxes | \$ 16,874,055 | \$ 16,874,055 | \$ 16,811,402 | \$ (62,653) |
| Excise taxes | 822,200 | 822,200 | 1,014,332 | 192,132 |
| Intergovernmental revenues: | | | | |
| State revenue sharing | 170,000 | 170,000 | 189,036 | 19,036 |
| Tree growth reimbursement | 8,500 | 8,500 | 7,309 | (1,191) |
| Vet exemption reimbursement | 5,500 | 5,500 | 11,333 | 5,833 |
| Homestead reimbursement | 71,704 | 71,704 | 91,038 | 19,334 |
| BETE reimbursement | 13,640 | 13,640 | 13,737 | 97 |
| Local road assistance | 55,000 | 55,000 | 54,696 | (304) |
| Snowmobile revenue | 500 | 500 | 377 | (123) |
| Pumpout boat revenue | 23,000 | 23,000 | 18,955 | (4,045) |
| State park reimbursement | 4,000 | 4,000 | 6,387 | 2,387 |
| Other intergovernmental | 14,450 | 14,450 | 16,368 | 1,918 |
| Licenses and permits | | | | |
| Animal control fees | 2,000 | 2,000 | 2,096 | 96 |
| Town clerk fees | 15,000 | 15,000 | 12,490 | (2,510) |
| Plumbing fees | 7,000 | 7,000 | 7,727 | 727 |
| Building permits | 50,000 | 50,000 | 67,849 | 17,849 |
| Administrative fees | 16,000 | 16,000 | 17,494 | 1,494 |
| Cable/TV franchise | 67,000 | 67,000 | 71,847 | 4,847 |
| Electrical fees | 5,000 | 5,000 | 4,687 | (313) |
| Other fees | - | - | 74 | 74 |
| Charges for services: | | | | |
| Police revenue | 3,000 | 3,000 | 1,544 | (1,456) |
| Parking tickets | 15,000 | 15,000 | 16,816 | 1,816 |
| Parks & recreation revenue | 23,000 | 23,000 | 29,618 | 6,618 |
| Cemetery maintenance | 50,000 | 50,000 | 50,000 | - |
| Harbor park mowing | 5,000 | 5,000 | 6,500 | 1,500 |
| Yacht club lease | 21,500 | 21,500 | 21,247 | (253) |
| Public landing lease | 3,000 | 3,000 | 3,384 | 384 |
| Opera house revenues | 80,000 | 80,000 | 48,378 | (31,622) |
| Harbor revenue | 220,000 | 220,000 | 248,168 | 28,168 |
| Investment income: | | | | |
| Investment income | 5,000 | 5,000 | 5,024 | 24 |
| Other income: | | | | |
| Tax interest | 40,000 | 40,000 | 34,705 | (5,295) |
| Lien interest & costs | 22,500 | 22,500 | 11,013 | (11,487) |
| Other income | 7,000 | 7,000 | 12,495 | 5,495 |
| Bond proceeds | 2,550,000 | 2,550,000 | 2,550,000 | - |
| Total revenues | <u>\$ 21,269,549</u> | <u>\$ 21,269,549</u> | <u>\$ 21,458,126</u> | <u>\$ 188,577</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

| | Budget | Budget Adjustments | Final Available | Actual | Variance Positive (Negative) |
|-------------------------------------|------------------|-----------------------|--------------------|------------------|------------------------------------|
| General government | | | | | |
| Administration, assessing & finance | \$ 731,456 | \$ - | \$ 731,456 | \$ 785,859 | \$ (54,403) |
| Professional services | 42,000 | - | 42,000 | 39,992 | 2,008 |
| Planning & development | 270,044 | - | 270,044 | 245,414 | 24,630 |
| Information technology | 66,000 | - | 66,000 | 95,046 | (29,046) |
| Insurance | 250,682 | - | 250,682 | 325,087 | (74,405) |
| Opera House/Town offices | 82,611 | - | 82,611 | 80,838 | 1,773 |
| Opera House/auditorium | 241,896 | - | 241,896 | 270,713 | (28,817) |
| | <u>1,684,689</u> | <u>-</u> | <u>1,684,689</u> | <u>1,842,949</u> | <u>(158,260)</u> |
| Public safety | | | | | |
| Police department | 1,059,572 | - | 1,059,572 | 1,079,412 | (19,840) |
| County dispatch | 126,497 | - | 126,497 | 126,497 | - |
| Fire department | 403,844 | - | 403,844 | 398,863 | 4,981 |
| Public safety building | 40,536 | - | 40,536 | 39,234 | 1,302 |
| Hydrant rental | 201,897 | - | 201,897 | 201,354 | 543 |
| EMS service | 20,000 | - | 20,000 | 19,641 | 359 |
| EOC | 1,000 | - | 1,000 | 999 | 1 |
| Street lights | 63,500 | - | 63,500 | 67,652 | (4,152) |
| | <u>1,916,846</u> | <u>-</u> | <u>1,916,846</u> | <u>1,933,652</u> | <u>(16,806)</u> |
| Public services | | | | | |
| Public works | 972,558 | - | 972,558 | 912,765 | 59,793 |
| Street and sidewalks | 431,500 | - | 431,500 | 365,210 | 66,290 |
| Parking | 4,600 | - | 4,600 | 801 | 3,799 |
| Tree program | 25,000 | - | 25,000 | 35,009 | (10,009) |
| | <u>1,433,658</u> | <u>-</u> | <u>1,433,658</u> | <u>1,313,785</u> | <u>119,873</u> |

TOWN OF CAMDEN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

| | Budget | Budget Adjustments | Final Available | Actual | Variance Positive (Negative) |
|---------------------------|-------------------|-----------------------|--------------------|-------------------|------------------------------------|
| Health and welfare | | | | | |
| Provider agencies | 6,150 | - | 6,150 | 6,150 | - |
| | <u>6,150</u> | <u>-</u> | <u>6,150</u> | <u>6,150</u> | <u>-</u> |
| Leisure services | | | | | |
| Community services | 21,000 | - | 21,000 | 20,000 | 1,000 |
| Camden Public Library | 395,000 | - | 395,000 | 395,000 | - |
| Harbor and landing | 180,401 | - | 180,401 | 185,032 | (4,631) |
| Recreation | 161,239 | - | 161,239 | 159,322 | 1,917 |
| Parks | 216,454 | - | 216,454 | 217,830 | (1,376) |
| Dams | 2,000 | - | 2,000 | 2,798 | (798) |
| | <u>976,094</u> | <u>-</u> | <u>976,094</u> | <u>979,982</u> | <u>(3,888)</u> |
| Cemeteries | | | | | |
| Cemetery association | 40,000 | - | 40,000 | 40,000 | - |
| Cemetery maintenance | 50,000 | - | 50,000 | 40,877 | 9,123 |
| | <u>90,000</u> | <u>-</u> | <u>90,000</u> | <u>80,877</u> | <u>9,123</u> |
| Education | <u>10,511,615</u> | <u>-</u> | <u>10,511,615</u> | <u>10,511,615</u> | <u>-</u> |
| County tax | <u>1,124,041</u> | <u>-</u> | <u>1,124,041</u> | <u>1,124,041</u> | <u>-</u> |
| Debt service | | | | | |
| Principal | 528,673 | - | 528,673 | 506,252 | 22,421 |
| Interest | 147,000 | - | 147,000 | 101,622 | 45,378 |
| | <u>675,673</u> | <u>-</u> | <u>675,673</u> | <u>607,874</u> | <u>67,799</u> |

TOWN OF CAMDEN, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

| | Budget | Budget Adjustments | Final Available | Actual | Variance Positive (Negative) |
|---------------------------------|----------------------|-----------------------|----------------------|----------------------|------------------------------------|
| Capital improvements | | | | | |
| Public safety | 57,000 | - | 57,000 | 28,918 | 28,082 |
| Highway/street/bridges | 77,000 | - | 77,000 | 82,119 | (5,119) |
| Leisure services | 55,000 | - | 55,000 | 126,920 | (71,920) |
| Collection system | - | - | - | 3,511 | (3,511) |
| | <u>189,000</u> | <u>-</u> | <u>189,000</u> | <u>241,468</u> | <u>(52,468)</u> |
| MCSWC assessment | <u>202,969</u> | <u>-</u> | <u>202,969</u> | <u>202,969</u> | <u>-</u> |
| TIF financing | <u>42,917</u> | <u>-</u> | <u>42,917</u> | <u>-</u> | <u>42,917</u> |
| Unclassified | | | | | |
| Contingency | 40,000 | - | 40,000 | 68,571 | (28,571) |
| Overlay | 39,866 | - | 39,866 | 21,803 | 18,063 |
| | <u>79,866</u> | <u>-</u> | <u>79,866</u> | <u>90,374</u> | <u>(10,508)</u> |
| Transfers to other funds | | | | | |
| Capital projects funds | 119,000 | - | 119,000 | 119,000 | - |
| Snow Bowl fund | 20,000 | - | 20,000 | 20,000 | - |
| Sewer Operation fund | 550,000 | - | 550,000 | 531,000 | 19,000 |
| RMRA Development Project fund | 2,000,000 | - | 2,000,000 | 1,964,259 | 35,741 |
| | <u>2,689,000</u> | <u>-</u> | <u>2,689,000</u> | <u>2,634,259</u> | <u>54,741</u> |
| Total Expenditures | <u>\$ 21,622,518</u> | <u>\$ -</u> | <u>\$ 21,622,518</u> | <u>\$ 21,569,995</u> | <u>\$ 52,523</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

| | Special Revenue Funds | Capital Projects Funds | Permanent Funds | Total Nonmajor Governmental Funds |
|--|-----------------------------|------------------------------|---------------------|---|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 8,507 | \$ - | \$ 443,451 | \$ 451,958 |
| Investments | - | - | 632,298 | 632,298 |
| Due from other funds | 291,141 | 774,453 | 13,671 | 1,079,265 |
| TOTAL ASSETS | <u>\$ 299,648</u> | <u>\$ 774,453</u> | <u>\$ 1,089,420</u> | <u>\$ 2,163,521</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 276,145 | 13,652 | 3,794 | 293,591 |
| TOTAL LIABILITIES | <u>276,145</u> | <u>13,652</u> | <u>3,794</u> | <u>293,591</u> |
| FUND BALANCES | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | 1,085,626 | 1,085,626 |
| Committed | 299,648 | 774,453 | - | 1,074,101 |
| Assigned | - | - | - | - |
| Unassigned | (276,145) | (13,652) | - | (289,797) |
| TOTAL FUND BALANCES | <u>23,503</u> | <u>760,801</u> | <u>1,085,626</u> | <u>1,869,930</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 299,648</u> | <u>\$ 774,453</u> | <u>\$ 1,089,420</u> | <u>\$ 2,163,521</u> |

See accompanying independent auditors' report and notes to financial statements.

SCHEDULE D

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

| | Special Revenue Funds | Capital Projects Funds | Permanent Funds | Total Nonmajor Governmental Funds |
|---|-----------------------------|------------------------------|---------------------|---|
| REVENUES | | | | |
| Intergovernmental revenues | \$ 37,873 | \$ - | \$ - | \$ 37,873 |
| Investment income, net of unrealized gains/(losses) | - | - | 147,597 | 147,597 |
| Other income | 309,828 | 2,040 | - | 311,868 |
| TOTAL REVENUES | <u>347,701</u> | <u>2,040</u> | <u>147,597</u> | <u>497,338</u> |
| EXPENDITURES | | | | |
| Capital outlay | - | 65,333 | - | 65,333 |
| Other | 475,248 | 134,844 | 49,819 | 659,911 |
| TOTAL EXPENDITURES | <u>475,248</u> | <u>200,177</u> | <u>49,819</u> | <u>725,244</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(127,547)</u> | <u>(198,137)</u> | <u>97,778</u> | <u>(227,906)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 119,000 | - | 119,000 |
| Transfers (out) | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>119,000</u> | <u>-</u> | <u>119,000</u> |
| NET CHANGE IN FUND BALANCES | (127,547) | (79,137) | 97,778 | (108,906) |
| FUND BALANCES, JULY 1, RESTATED | <u>151,050</u> | <u>839,938</u> | <u>987,848</u> | <u>1,978,836</u> |
| FUND BALANCES, JUNE 30 | <u>\$ 23,503</u> | <u>\$ 760,801</u> | <u>\$ 1,085,626</u> | <u>\$ 1,869,930</u> |

See accompanying independent auditors' report and notes to financial statements.

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are legally restricted to expenditures for specific purposes.

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Tannery Riverwalk | Route 105 Sidewalk Extension | Ship/Hoist Walkway Grant | Wellness Grant | Opera House Piano | Opera House Web Design |
|---|----------------------|------------------------------------|--------------------------------|-------------------|-------------------------|------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | - | - | - | 1,146 | 2,300 | - |
| TOTAL ASSETS | \$ - | \$ - | \$ - | \$ 1,146 | \$ 2,300 | \$ - |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 2,525 | 9,620 | 180,574 | - | - | - |
| TOTAL LIABILITIES | 2,525 | 9,620 | 180,574 | - | - | - |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | - | 1,146 | 2,300 | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | (2,525) | (9,620) | (180,574) | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | (2,525) | (9,620) | (180,574) | 1,146 | 2,300 | - |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | \$ - | \$ - | \$ - | \$ 1,146 | \$ 2,300 | \$ - |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Lupine Terrance Grant | Project Canopy | Shore and Harbor Grant | LWCF Grant | EMPG (Fire) Grant | Volunteer Fire Assistance |
|---|-----------------------------|-------------------|------------------------------|---------------|----------------------|---------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | - | - | 1,155 | - | - | - |
| TOTAL ASSETS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,155</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 50 | 7,171 | - | - | - | - |
| TOTAL LIABILITIES | <u>50</u> | <u>7,171</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | 1,155 | - | - | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | (50) | (7,171) | - | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>(50)</u> | <u>(7,171)</u> | <u>1,155</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,155</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Harbor Benches | Assistance Heating & Utility | Opera House Capital Campaign | Garden Club | Oak Hill Cemetery Memorial | Opera House Productions |
|---|-------------------|------------------------------------|---------------------------------------|-----------------|----------------------------------|-------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 8,752 | 1,750 | 13,537 | 3,800 | - | 25,575 |
| TOTAL ASSETS | <u>\$ 8,752</u> | <u>\$ 1,750</u> | <u>\$ 13,537</u> | <u>\$ 3,800</u> | <u>\$ -</u> | <u>\$ 25,575</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | 3,170 | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>3,170</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | 8,752 | 1,750 | 13,537 | 3,800 | - | 25,575 |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | (3,170) | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>8,752</u> | <u>1,750</u> | <u>13,537</u> | <u>3,800</u> | <u>(3,170)</u> | <u>25,575</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 8,752</u> | <u>\$ 1,750</u> | <u>\$ 13,537</u> | <u>\$ 3,800</u> | <u>\$ -</u> | <u>\$ 25,575</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Trash Bag Sales | Tamarach Trail Subdivision | Resident Shade Trees | MCSW Contract Bookkeeping | Parks Memorial Project | Honor Roll Village Green |
|---|--------------------|----------------------------------|----------------------------|---------------------------------|------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 1,287 | 2,075 | 770 | 7,640 | 426 | 2,573 |
| TOTAL ASSETS | <u>\$ 1,287</u> | <u>\$ 2,075</u> | <u>\$ 770</u> | <u>\$ 7,640</u> | <u>\$ 426</u> | <u>\$ 2,573</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | 1,287 | 2,075 | 770 | 7,640 | 426 | 2,573 |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>1,287</u> | <u>2,075</u> | <u>770</u> | <u>7,640</u> | <u>426</u> | <u>2,573</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 1,287</u> | <u>\$ 2,075</u> | <u>\$ 770</u> | <u>\$ 7,640</u> | <u>\$ 426</u> | <u>\$ 2,573</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Escrows Accounts | Police Career Development | TIF Business Highway | TIF Downtown | MT Battie Tower Fund | Winter Family Fun |
|---|---------------------|---------------------------------|----------------------------|-------------------|----------------------------|-------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 8,507 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | - | 53,261 | 9,845 | 106,374 | 15,273 | 632 |
| TOTAL ASSETS | <u>\$ 8,507</u> | <u>\$ 53,261</u> | <u>\$ 9,845</u> | <u>\$ 106,374</u> | <u>\$ 15,273</u> | <u>\$ 632</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | 8,507 | 53,261 | 9,845 | 106,374 | 15,273 | 632 |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>8,507</u> | <u>53,261</u> | <u>9,845</u> | <u>106,374</u> | <u>15,273</u> | <u>632</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 8,507</u> | <u>\$ 53,261</u> | <u>\$ 9,845</u> | <u>\$ 106,374</u> | <u>\$ 15,273</u> | <u>\$ 632</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | KNX | FICA/ Medicare | Gasoline | English National Opera Series | Opera House Annual Appeal | Bob Berkley |
|---|--------------|-------------------|-----------------|--|------------------------------------|----------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | - | - | - | - | 8,595 | - |
| TOTAL ASSETS | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,595</u> | <u>\$ -</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 835 | 3,124 | 34,236 | 30 | - | 33 |
| TOTAL LIABILITIES | <u>835</u> | <u>3,124</u> | <u>34,236</u> | <u>30</u> | <u>-</u> | <u>33</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | - | - | 8,595 | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | (835) | (3,124) | (34,236) | (30) | - | (33) |
| TOTAL FUND BALANCES (DEFICITS) | <u>(835)</u> | <u>(3,124)</u> | <u>(34,236)</u> | <u>(30)</u> | <u>8,595</u> | <u>(33)</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,595</u> | <u>\$ -</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Fire Safety Education | Andre Lescoux and Elijah Ocean | Christmas By the Sea | Lucie Arnaz | Irene Laite Memorial Fund | Cliff Selects |
|---|-----------------------------|---|----------------------------|----------------|------------------------------------|------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 4,427 | 675 | 641 | - | 4,130 | 2,043 |
| TOTAL ASSETS | <u>\$ 4,427</u> | <u>\$ 675</u> | <u>\$ 641</u> | <u>\$ -</u> | <u>\$ 4,130</u> | <u>\$ 2,043</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | 200 | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>200</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | 4,427 | 675 | 641 | - | 4,130 | 2,043 |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | (200) | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>4,427</u> | <u>675</u> | <u>641</u> | <u>(200)</u> | <u>4,130</u> | <u>2,043</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 4,427</u> | <u>\$ 675</u> | <u>\$ 641</u> | <u>\$ -</u> | <u>\$ 4,130</u> | <u>\$ 2,043</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Mary Chapin Charpenter | Eilenn Ivers | Jungle Jack Hanna | Christine Lavin/ Don White | Jon Rineman | CJ Chenier |
|---|------------------------------|-----------------|-------------------------|----------------------------------|----------------|-----------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | - | - | - | - | - | 1,761 |
| TOTAL ASSETS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,761 |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | 5,874 | 1,051 | 1,788 | 41 | - |
| TOTAL LIABILITIES | - | 5,874 | 1,051 | 1,788 | 41 | - |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | - | - | - | 1,761 |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | (5,874) | (1,051) | (1,788) | (41) | - |
| TOTAL FUND BALANCES (DEFICITS) | - | (5,874) | (1,051) | (1,788) | (41) | 1,761 |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,761 |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

| | Donald Pentleton | ADA Kayak Donation | Justin McKinney | Hal McIntyre | Seabright Hydro Fund | Total |
|---|---------------------|--------------------------|--------------------|-----------------|-------------------------|-------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,507 |
| Due from other funds | - | 10,000 | 91 | 607 | - | 291,141 |
| TOTAL ASSETS | <u>\$ -</u> | <u>\$ 10,000</u> | <u>\$ 91</u> | <u>\$ 607</u> | <u>\$ -</u> | <u>\$ 299,648</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 3,286 | - | - | - | 22,537 | 276,145 |
| TOTAL LIABILITIES | <u>3,286</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>22,537</u> | <u>276,145</u> |
| FUND BALANCES (DEFICITS) | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | 10,000 | 91 | 607 | - | 299,648 |
| Assigned | - | - | - | - | - | - |
| Unassigned | (3,286) | - | - | - | (22,537) | (276,145) |
| TOTAL FUND BALANCES (DEFICITS) | <u>(3,286)</u> | <u>10,000</u> | <u>91</u> | <u>607</u> | <u>(22,537)</u> | <u>23,503</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ -</u> | <u>\$ 10,000</u> | <u>\$ 91</u> | <u>\$ 607</u> | <u>\$ -</u> | <u>\$ 299,648</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Tannery Riverwalk | Route 105 Sidewalk Extension | Ship/Hoist Walkway Grant | Wellness Grant | Opera House Piano | Opera House Web Design |
|---|----------------------|------------------------------------|--------------------------------|-------------------|-------------------------|------------------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ 24,711 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | - | - | - | 882 | - | - |
| TOTAL REVENUES | <u>24,711</u> | <u>-</u> | <u>-</u> | <u>882</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | | | | |
| Other | 25,179 | - | 135,713 | 700 | - | 1,897 |
| TOTAL EXPENDITURES | <u>25,179</u> | <u>-</u> | <u>135,713</u> | <u>700</u> | <u>-</u> | <u>1,897</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(468)</u> | <u>-</u> | <u>(135,713)</u> | <u>182</u> | <u>-</u> | <u>(1,897)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | (468) | - | (135,713) | 182 | - | (1,897) |
| FUND BALANCES (DEFICITS), JULY 1 | <u>(2,057)</u> | <u>(9,620)</u> | <u>(44,861)</u> | <u>964</u> | <u>2,300</u> | <u>1,897</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ (2,525)</u> | <u>\$ (9,620)</u> | <u>\$ (180,574)</u> | <u>\$ 1,146</u> | <u>\$ 2,300</u> | <u>\$ -</u> |

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Lupine Terrance Grant | Project Canopy | Shore and Harbor Grant | LWCF Grant | EMPG (Fire) Grant | Volunteer Fire Assistance |
|---|-----------------------------|-------------------|------------------------------|---------------|----------------------|---------------------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ 3,750 | \$ 7,716 | \$ 1,693 |
| Other income | - | - | - | - | - | - |
| TOTAL REVENUES | - | - | - | 3,750 | 7,716 | 1,693 |
| EXPENDITURES | | | | | | |
| Other | - | - | - | 3,750 | 7,716 | 1,693 |
| TOTAL EXPENDITURES | - | - | - | 3,750 | 7,716 | 1,693 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - | - | - |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - | - |
| NET CHANGE IN FUND BALANCES (DEFICITS) | - | - | - | - | - | - |
| FUND BALANCES (DEFICITS), JULY 1 | (50) | (7,171) | 1,155 | - | - | - |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ (50)</u> | <u>\$ (7,171)</u> | <u>\$ 1,155</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

SCHEDULE F (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Harbor Benches | Assistance Heating & Utility | Opera House Capital Campaign | Garden Club | Oak Hill Cemetery Memorial | Opera House Productions |
|---|-------------------|------------------------------------|---------------------------------------|-----------------|----------------------------------|-------------------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | 1,800 | 1,750 | - | 1,100 | 2,815 | 3,557 |
| TOTAL REVENUES | <u>1,800</u> | <u>1,750</u> | <u>-</u> | <u>1,100</u> | <u>2,815</u> | <u>3,557</u> |
| EXPENDITURES | | | | | | |
| Other | - | 375 | 759 | - | 7,504 | 1,767 |
| TOTAL EXPENDITURES | <u>-</u> | <u>375</u> | <u>759</u> | <u>-</u> | <u>7,504</u> | <u>1,767</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>1,800</u> | <u>1,375</u> | <u>(759)</u> | <u>1,100</u> | <u>(4,689)</u> | <u>1,790</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | 1,800 | 1,375 | (759) | 1,100 | (4,689) | 1,790 |
| FUND BALANCES (DEFICITS), JULY 1 | <u>6,952</u> | <u>375</u> | <u>14,296</u> | <u>2,700</u> | <u>1,519</u> | <u>23,785</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ 8,752</u> | <u>\$ 1,750</u> | <u>\$ 13,537</u> | <u>\$ 3,800</u> | <u>\$ (3,170)</u> | <u>\$ 25,575</u> |

SCHEDULE F (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Trash Bag Sales | Tamarach Trail Subdivision | Resident Shade Trees | MCSW Contract Bookkeeping | Parks Memorial Project | Honor Roll Village Green |
|---|--------------------|----------------------------------|----------------------------|---------------------------------|------------------------------|--------------------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | 1,752 | - | 450 | 11,945 | - | - |
| TOTAL REVENUES | <u>1,752</u> | <u>-</u> | <u>450</u> | <u>11,945</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | | | | |
| Other | 2,240 | - | - | 8,519 | - | 599 |
| TOTAL EXPENDITURES | <u>2,240</u> | <u>-</u> | <u>-</u> | <u>8,519</u> | <u>-</u> | <u>599</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(488)</u> | <u>-</u> | <u>450</u> | <u>3,426</u> | <u>-</u> | <u>(599)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | <u>(488)</u> | <u>-</u> | <u>450</u> | <u>3,426</u> | <u>-</u> | <u>(599)</u> |
| FUND BALANCES (DEFICITS), JULY 1 | <u>1,775</u> | <u>2,075</u> | <u>320</u> | <u>4,214</u> | <u>426</u> | <u>3,172</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ 1,287</u> | <u>\$ 2,075</u> | <u>\$ 770</u> | <u>\$ 7,640</u> | <u>\$ 426</u> | <u>\$ 2,573</u> |

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Escrows Accounts | Police Career Development | TIF Business Highway | TIF Downtown | MT Battie Tower Fund | Winter Family Fun |
|---|---------------------|---------------------------------|----------------------------|-------------------|----------------------------|-------------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ 3 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | - | 30,000 | - | - | 29,140 | 2,290 |
| TOTAL REVENUES | <u>3</u> | <u>30,000</u> | <u>-</u> | <u>-</u> | <u>29,140</u> | <u>2,290</u> |
| EXPENDITURES | | | | | | |
| Other | - | - | - | - | 70,662 | 1,658 |
| TOTAL EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>70,662</u> | <u>1,658</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>3</u> | <u>30,000</u> | <u>-</u> | <u>-</u> | <u>(41,522)</u> | <u>632</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | 3 | 30,000 | - | - | (41,522) | 632 |
| FUND BALANCES (DEFICITS), JULY 1 | <u>8,504</u> | <u>23,261</u> | <u>9,845</u> | <u>106,374</u> | <u>56,795</u> | <u>-</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ 8,507</u> | <u>\$ 53,261</u> | <u>\$ 9,845</u> | <u>\$ 106,374</u> | <u>\$ 15,273</u> | <u>\$ 632</u> |

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | KNX | FICA/ Medicare | Gasoline | English National Opera Series | Opera House Annual Appeal | Bob Berkley |
|---|-----------------|-------------------|--------------------|--|------------------------------------|----------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | - | - | 133,204 | - | 8,595 | - |
| TOTAL REVENUES | - | - | 133,204 | - | 8,595 | - |
| EXPENDITURES | | | | | | |
| Other | - | 670 | 149,313 | 30 | - | 33 |
| TOTAL EXPENDITURES | - | 670 | 149,313 | 30 | - | 33 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | (670) | (16,109) | (30) | 8,595 | (33) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - | - |
| NET CHANGE IN FUND BALANCES (DEFICITS) | - | (670) | (16,109) | (30) | 8,595 | (33) |
| FUND BALANCES (DEFICITS), JULY 1 | (835) | (2,454) | (18,127) | - | - | - |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ (835)</u> | <u>\$ (3,124)</u> | <u>\$ (34,236)</u> | <u>\$ (30)</u> | <u>\$ 8,595</u> | <u>\$ (33)</u> |

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Fire Safety Education | Andre Lescoux and Elijah Ocean | Christmas By the Sea | Lucie Arnaz | Irene Laite Memorial Fund | Cliff Selects |
|---|-----------------------------|---|----------------------------|-----------------|------------------------------------|------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | 525 | 675 | 3,550 | - | 4,130 | 3,843 |
| TOTAL REVENUES | <u>525</u> | <u>675</u> | <u>3,550</u> | <u>-</u> | <u>4,130</u> | <u>3,843</u> |
| EXPENDITURES | | | | | | |
| Other | - | - | 2,909 | 200 | - | 2,200 |
| TOTAL EXPENDITURES | <u>-</u> | <u>-</u> | <u>2,909</u> | <u>200</u> | <u>-</u> | <u>2,200</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>525</u> | <u>675</u> | <u>641</u> | <u>(200)</u> | <u>4,130</u> | <u>1,643</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | 525 | 675 | 641 | (200) | 4,130 | 1,643 |
| FUND BALANCES (DEFICITS), JULY 1 | <u>3,902</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>400</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ 4,427</u> | <u>\$ 675</u> | <u>\$ 641</u> | <u>\$ (200)</u> | <u>\$ 4,130</u> | <u>\$ 2,043</u> |

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

| | Mary Chapin Charpenter | Eilenn Ivers | Jungle Jack Hanna | Christine Lavin / Don White | Jon Rineman | CJ Chenier |
|---|------------------------------|-------------------|-------------------------|-----------------------------------|----------------|-----------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other income | 18,324 | 4,032 | 17,520 | 1,481 | - | 3,881 |
| TOTAL REVENUES | <u>18,324</u> | <u>4,032</u> | <u>17,520</u> | <u>1,481</u> | <u>-</u> | <u>3,881</u> |
| EXPENDITURES | | | | | | |
| Other | - | 9,906 | 18,571 | 3,269 | 41 | 2,120 |
| TOTAL EXPENDITURES | <u>-</u> | <u>9,906</u> | <u>18,571</u> | <u>3,269</u> | <u>41</u> | <u>2,120</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>18,324</u> | <u>(5,874)</u> | <u>(1,051)</u> | <u>(1,788)</u> | <u>(41)</u> | <u>1,761</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | 18,324 | (5,874) | (1,051) | (1,788) | (41) | 1,761 |
| FUND BALANCES (DEFICITS), JULY 1 | <u>(18,324)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ -</u> | <u>\$ (5,874)</u> | <u>\$ (1,051)</u> | <u>\$ (1,788)</u> | <u>\$ (41)</u> | <u>\$ 1,761</u> |

SCHEDULE F (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Donald Pentleton | ADA Kayak Donation | Justin McKinney | Hal McIntyre | Seabright Hydro Fund | Total |
|---|---------------------|--------------------------|--------------------|-----------------|-------------------------|------------------|
| REVENUES | | | | | | |
| Intergovernmental revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 37,873 |
| Other income | - | 10,000 | 91 | 607 | 11,889 | 309,828 |
| TOTAL REVENUES | - | 10,000 | 91 | 607 | 11,889 | 347,701 |
| EXPENDITURES | | | | | | |
| Other | 3,286 | - | - | - | 11,969 | 475,248 |
| TOTAL EXPENDITURES | 3,286 | - | - | - | 11,969 | 475,248 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (3,286) | 10,000 | 91 | 607 | (80) | (127,547) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | - | - | - |
| NET CHANGE IN FUND BALANCES (DEFICITS) | (3,286) | 10,000 | 91 | 607 | (80) | (127,547) |
| FUND BALANCES (DEFICITS), JULY 1 | - | - | - | - | (22,457) | 151,050 |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ (3,286)</u> | <u>\$ 10,000</u> | <u>\$ 91</u> | <u>\$ 607</u> | <u>\$ (22,537)</u> | <u>\$ 23,503</u> |

See accompanying independent auditors' report and notes to financial statements.

Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust fund.

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2016

| | Accrued Benefits | Opera House Maintenance | Economic Development | Conservation | Computer IT | TIF | Energy Conservation |
|---|---------------------|----------------------------|-------------------------|-----------------|-----------------|------------------|------------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 44,090 | 74,818 | - | 1,896 | 5,224 | 30,000 | 29,077 |
| TOTAL ASSETS | <u>\$ 44,090</u> | <u>\$ 74,818</u> | <u>\$ -</u> | <u>\$ 1,896</u> | <u>\$ 5,224</u> | <u>\$ 30,000</u> | <u>\$ 29,077</u> |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | 1,771 | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>1,771</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - |
| Committed | 44,090 | 74,818 | - | 1,896 | 5,224 | 30,000 | 29,077 |
| Assigned | - | - | - | - | - | - | - |
| Unassigned | - | - | (1,771) | - | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>44,090</u> | <u>74,818</u> | <u>(1,771)</u> | <u>1,896</u> | <u>5,224</u> | <u>30,000</u> | <u>29,077</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 44,090</u> | <u>\$ 74,818</u> | <u>\$ -</u> | <u>\$ 1,896</u> | <u>\$ 5,224</u> | <u>\$ 30,000</u> | <u>\$ 29,077</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2016

| | <u>Police Equipment</u> | <u>Fire Equipment</u> | <u>Fire Truck Reserve</u> | <u>Public Safety Building</u> | <u>Storm Sewer</u> | <u>Parking</u> | <u>Street Improvements</u> |
|---|-----------------------------|---------------------------|-------------------------------|-----------------------------------|------------------------|------------------|--------------------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 2,531 | 18,637 | 10,000 | 12,000 | 67,231 | 47,227 | 35,000 |
| TOTAL ASSETS | <u>\$ 2,531</u> | <u>\$ 18,637</u> | <u>\$ 10,000</u> | <u>\$ 12,000</u> | <u>\$ 67,231</u> | <u>\$ 47,227</u> | <u>\$ 35,000</u> |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - |
| Committed | 2,531 | 18,637 | 10,000 | 12,000 | 67,231 | 47,227 | 35,000 |
| Assigned | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>2,531</u> | <u>18,637</u> | <u>10,000</u> | <u>12,000</u> | <u>67,231</u> | <u>47,227</u> | <u>35,000</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 2,531</u> | <u>\$ 18,637</u> | <u>\$ 10,000</u> | <u>\$ 12,000</u> | <u>\$ 67,231</u> | <u>\$ 47,227</u> | <u>\$ 35,000</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2016

| | Winter Maintenance | Fuel Depot Maintenance | Washington St Sidewalks | Public Works Equipment | Parks Equipment | Tennis Court | Parks and Open Space |
|---|-----------------------|---------------------------|----------------------------|---------------------------|--------------------|------------------|-------------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 106,889 | - | 32,528 | - | 20,219 | 24,777 | 20,000 |
| TOTAL ASSETS | <u>\$ 106,889</u> | <u>\$ -</u> | <u>\$ 32,528</u> | <u>\$ -</u> | <u>\$ 20,219</u> | <u>\$ 24,777</u> | <u>\$ 20,000</u> |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | 10,900 | - | 981 | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>10,900</u> | <u>-</u> | <u>981</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES (DEFICITS) | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - |
| Committed | 106,889 | - | 32,528 | - | 20,219 | 24,777 | 20,000 |
| Assigned | - | - | - | - | - | - | - |
| Unassigned | - | (10,900) | - | (981) | - | - | - |
| TOTAL FUND BALANCES (DEFICITS) | <u>106,889</u> | <u>(10,900)</u> | <u>32,528</u> | <u>(981)</u> | <u>20,219</u> | <u>24,777</u> | <u>20,000</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 106,889</u> | <u>\$ -</u> | <u>\$ 32,528</u> | <u>\$ -</u> | <u>\$ 20,219</u> | <u>\$ 24,777</u> | <u>\$ 20,000</u> |

SCHEDULE G (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2016

| | Harbor Dredging | Camden Dam | Harbor Bench Maintenance | Harbor Projects | Camden Lincolnvile Dam | Parks Memorial Projects | Total |
|---|--------------------|------------------|-----------------------------|--------------------|------------------------------|-------------------------------|-------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due from other funds | 11,015 | 80,111 | 11,182 | 56,466 | 32,160 | 1,375 | 774,453 |
| TOTAL ASSETS | <u>\$ 11,015</u> | <u>\$ 80,111</u> | <u>\$ 11,182</u> | <u>\$ 56,466</u> | <u>\$ 32,160</u> | <u>\$ 1,375</u> | <u>\$ 774,453</u> |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | - | - | - | - | - | - | 13,652 |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>13,652</u> |
| FUND BALANCES (DEFICITS) | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - |
| Committed | 11,015 | 80,111 | 11,182 | 56,466 | 32,160 | 1,375 | 774,453 |
| Assigned | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | (13,652) |
| TOTAL FUND BALANCES (DEFICITS) | <u>11,015</u> | <u>80,111</u> | <u>11,182</u> | <u>56,466</u> | <u>32,160</u> | <u>1,375</u> | <u>760,801</u> |
| TOTAL LIABILITIES AND FUND BALANCES (DEFICITS) | <u>\$ 11,015</u> | <u>\$ 80,111</u> | <u>\$ 11,182</u> | <u>\$ 56,466</u> | <u>\$ 32,160</u> | <u>\$ 1,375</u> | <u>\$ 774,453</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Accrued Benefits | Opera House Maintenance | Economic Development | Conservation | Computer IT | TIF | Energy Conservation |
|---|---------------------|----------------------------|-------------------------|-----------------|-----------------|------------------|------------------------|
| REVENUES | | | | | | | |
| Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL REVENUES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | | | | | |
| Capital outlay | - | - | - | - | 11,751 | - | - |
| Other | 24,160 | 22,985 | 25,482 | - | - | - | 5,923 |
| TOTAL EXPENDITURES | <u>24,160</u> | <u>22,985</u> | <u>25,482</u> | <u>-</u> | <u>11,751</u> | <u>-</u> | <u>5,923</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(24,160)</u> | <u>(22,985)</u> | <u>(25,482)</u> | <u>-</u> | <u>(11,751)</u> | <u>-</u> | <u>(5,923)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 15,000 | 10,000 | - | - | 10,000 | - | 5,000 |
| Transfers (out) | - | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>15,000</u> | <u>10,000</u> | <u>-</u> | <u>-</u> | <u>10,000</u> | <u>-</u> | <u>5,000</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | <u>(9,160)</u> | <u>(12,985)</u> | <u>(25,482)</u> | <u>-</u> | <u>(1,751)</u> | <u>-</u> | <u>(923)</u> |
| FUND BALANCES (DEFICITS), JULY 1 | <u>53,250</u> | <u>87,803</u> | <u>23,711</u> | <u>1,896</u> | <u>6,975</u> | <u>30,000</u> | <u>30,000</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ 44,090</u> | <u>\$ 74,818</u> | <u>\$ (1,771)</u> | <u>\$ 1,896</u> | <u>\$ 5,224</u> | <u>\$ 30,000</u> | <u>\$ 29,077</u> |

SCHEDULE H (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Police Equipment | Fire Equipment | Fire Truck Reserve | Public Safety Building | Storm Sewer | Parking | Street Improvements |
|---|---------------------|-------------------|-----------------------|---------------------------|----------------|-----------|------------------------|
| REVENUES | | | | | | | |
| Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL REVENUES | - | - | - | - | - | - | - |
| EXPENDITURES | | | | | | | |
| Capital outlay | - | - | - | - | 53,582 | - | - |
| Other | 7,380 | 2,125 | - | - | - | 9,607 | - |
| TOTAL EXPENDITURES | 7,380 | 2,125 | - | - | 53,582 | 9,607 | - |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (7,380) | (2,125) | - | - | (53,582) | (9,607) | - |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | 14,000 | 5,000 | - | 20,000 | - | 10,000 |
| Transfers (out) | - | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 14,000 | 5,000 | - | 20,000 | - | 10,000 |
| NET CHANGE IN FUND BALANCES (DEFICITS) | (7,380) | 11,875 | 5,000 | - | (33,582) | (9,607) | 10,000 |
| FUND BALANCES (DEFICITS), JULY 1 | 9,911 | 6,762 | 5,000 | 12,000 | 100,813 | 56,834 | 25,000 |
| FUND BALANCES (DEFICITS), JUNE 30 | \$ 2,531 | \$ 18,637 | \$ 10,000 | \$ 12,000 | \$ 67,231 | \$ 47,227 | \$ 35,000 |

SCHEDULE H (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Winter Maintenance | Fuel Depot Maintenance | Washington St Sidewalks | Public Works Equipment | Parks Equipment | Tennis Court | Parks and Open Space |
|---|-----------------------|---------------------------|----------------------------|---------------------------|--------------------|------------------|-------------------------|
| REVENUES | | | | | | | |
| Other income | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL REVENUES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | | | | | |
| Capital outlay | - | - | - | - | - | - | - |
| Other | 5,277 | - | - | 2,000 | 6,265 | - | - |
| TOTAL EXPENDITURES | <u>5,277</u> | <u>-</u> | <u>-</u> | <u>2,000</u> | <u>6,265</u> | <u>-</u> | <u>-</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | <u>(5,277)</u> | <u>-</u> | <u>-</u> | <u>(2,000)</u> | <u>(6,265)</u> | <u>-</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | - | - | - | - | - | 10,000 |
| Transfers (out) | - | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>10,000</u> |
| NET CHANGE IN FUND BALANCES (DEFICITS) | (5,277) | - | - | (2,000) | (6,265) | - | 10,000 |
| FUND BALANCES (DEFICITS), JULY 1 | <u>112,166</u> | <u>(10,900)</u> | <u>32,528</u> | <u>1,019</u> | <u>26,484</u> | <u>24,777</u> | <u>10,000</u> |
| FUND BALANCES (DEFICITS), JUNE 30 | <u>\$ 106,889</u> | <u>\$ (10,900)</u> | <u>\$ 32,528</u> | <u>\$ (981)</u> | <u>\$ 20,219</u> | <u>\$ 24,777</u> | <u>\$ 20,000</u> |

SCHEDULE H (CONTINUED)

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

| | Harbor Dredging | Camden Dam | Harbor Bench Maintenance | Harbor Projects | Camden Lincolnville Dam | Parks Memorial Projects | Total |
|---|--------------------|---------------|-----------------------------|--------------------|-------------------------------|-------------------------------|------------|
| REVENUES | | | | | | | |
| Other income | \$ - | \$ - | \$ 2,040 | \$ - | \$ - | \$ - | \$ 2,040 |
| TOTAL REVENUES | - | - | 2,040 | - | - | - | 2,040 |
| EXPENDITURES | | | | | | | |
| Capital outlay | - | - | - | - | - | - | 65,333 |
| Other | - | 622 | 2,483 | 5,735 | 14,800 | - | 134,844 |
| TOTAL EXPENDITURES | - | 622 | 2,483 | 5,735 | 14,800 | - | 200,177 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | (622) | (443) | (5,735) | (14,800) | - | (198,137) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | - | - | 20,000 | - | - | 119,000 |
| Transfers (out) | - | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | - | - | - | 20,000 | - | - | 119,000 |
| NET CHANGE IN FUND BALANCES (DEFICITS) | - | (622) | (443) | 14,265 | (14,800) | - | (79,137) |
| FUND BALANCES (DEFICITS), JULY 1 | 11,015 | 80,733 | 11,625 | 42,201 | 46,960 | 1,375 | 839,938 |
| FUND BALANCES (DEFICITS), JUNE 30 | \$ 11,015 | \$ 80,111 | \$ 11,182 | \$ 56,466 | \$ 32,160 | \$ 1,375 | \$ 760,801 |

See accompanying independent auditors' report and notes to financial statements.

Permanent Funds

Permanent funds are used to account for assets held by the Town of Camden, Maine that are legally restricted pursuant to Title 30-A, §5653 of the Maine State Statutes, as amended, and unless otherwise specified, only earnings, and not principal, may be used for purposes that benefit the Town or its citizenry. These funds have been established for various purposes including the provision and/or maintenance of cemeteries and school department scholarships.

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2016

| | Camden Snow Bowl | Nellie A. Knowton Fund | Oak Hill Cemetery Fund | Camden Public Library Fund | Atlantic Engine Co. # 2 Fund | Village Green Fund |
|-------------------------------------|---------------------|------------------------------|------------------------------|----------------------------------|------------------------------------|--------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 597 | \$ 631 | \$ 10,926 | \$ 599 | \$ 2,706 | \$ 103 |
| Investments | 19,153 | 20,248 | 350,663 | 19,227 | 86,856 | 3,308 |
| Due from other funds | - | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 19,750</u> | <u>\$ 20,879</u> | <u>\$ 361,589</u> | <u>\$ 19,826</u> | <u>\$ 89,562</u> | <u>\$ 3,411</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 112 | 118 | 2,039 | 112 | 505 | 19 |
| TOTAL LIABILITIES | <u>112</u> | <u>118</u> | <u>2,039</u> | <u>112</u> | <u>505</u> | <u>19</u> |
| FUND BALANCES | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | 19,638 | 20,761 | 359,550 | 19,714 | 89,057 | 3,392 |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>19,638</u> | <u>20,761</u> | <u>359,550</u> | <u>19,714</u> | <u>89,057</u> | <u>3,392</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 19,750</u> | <u>\$ 20,879</u> | <u>\$ 361,589</u> | <u>\$ 19,826</u> | <u>\$ 89,562</u> | <u>\$ 3,411</u> |

TOWN OF CAMDEN, MAINE

COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
JUNE 30, 2016

| | Irene F. Laite Fund | Oliver A Coates Fund | Shadie Niles Fund | French Fund | Lacasse Scholarship Fund | Total |
|-------------------------------------|---------------------------|----------------------------|----------------------|----------------|--------------------------------|---------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 4,069 | \$ 391,308 | \$ 20,692 | \$ 9 | \$ 11,811 | \$ 443,451 |
| Investments | 130,573 | 2,270 | - | - | - | 632,298 |
| Due from other funds | - | 13,665 | - | - | 6 | 13,671 |
| TOTAL ASSETS | <u>\$ 134,642</u> | <u>\$ 407,243</u> | <u>\$ 20,692</u> | <u>\$ 9</u> | <u>\$ 11,817</u> | <u>\$ 1,089,420</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Due to other funds | 759 | - | 130 | - | - | 3,794 |
| TOTAL LIABILITIES | <u>759</u> | <u>-</u> | <u>130</u> | <u>-</u> | <u>-</u> | <u>3,794</u> |
| FUND BALANCES | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | 133,883 | 407,243 | 20,562 | 9 | 11,817 | 1,085,626 |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>133,883</u> | <u>407,243</u> | <u>20,562</u> | <u>9</u> | <u>11,817</u> | <u>1,085,626</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 134,642</u> | <u>\$ 407,243</u> | <u>\$ 20,692</u> | <u>\$ 9</u> | <u>\$ 11,817</u> | <u>\$ 1,089,420</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

| | Camden Snow Bowl | Nellie A. Knowton Fund | Oak Hill Cemetery Fund | Camden Public Library Fund | Atlantic Engine Co. # 2 Fund | Village Green Fund |
|---|---------------------|------------------------------|------------------------------|----------------------------------|------------------------------------|--------------------------|
| REVENUES | | | | | | |
| Investment income, net of unrealized gains/ (losses) | \$ 665 | \$ 704 | \$ 12,195 | \$ 669 | \$ 3,021 | \$ 115 |
| TOTAL REVENUES | <u>665</u> | <u>704</u> | <u>12,195</u> | <u>669</u> | <u>3,021</u> | <u>115</u> |
| EXPENDITURES | | | | | | |
| Other | 98 | 104 | 1,797 | 99 | 445 | 17 |
| TOTAL EXPENDITURES | <u>98</u> | <u>104</u> | <u>1,797</u> | <u>99</u> | <u>445</u> | <u>17</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 567 | 600 | 10,398 | 570 | 2,576 | 98 |
| FUND BALANCES - JULY 1 | <u>19,071</u> | <u>20,161</u> | <u>349,152</u> | <u>19,144</u> | <u>86,481</u> | <u>3,294</u> |
| FUND BALANCES - JUNE 30 | <u>\$ 19,638</u> | <u>\$ 20,761</u> | <u>\$ 359,550</u> | <u>\$ 19,714</u> | <u>\$ 89,057</u> | <u>\$ 3,392</u> |

TOWN OF CAMDEN, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, CHANGES IN FUND BALANCES
NONMAJOR PERMANENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

| | Irene F. Laite Fund | Oliver A Coates Fund | Shadie Niles Fund | French Fund | Lacasse Scholarship Fund | Total |
|---|---------------------------|----------------------------|----------------------|----------------|--------------------------------|---------------------|
| REVENUES | | | | | | |
| Investment income, net of unrealized gains/ (losses) | \$ 4,541 | \$ 108,092 | \$ 12,400 | \$ 5,167 | \$ 28 | \$ 147,597 |
| TOTAL REVENUES | <u>4,541</u> | <u>108,092</u> | <u>12,400</u> | <u>5,167</u> | <u>28</u> | <u>147,597</u> |
| EXPENDITURES | | | | | | |
| Other | 669 | 39,824 | 1,583 | 5,165 | 18 | 49,819 |
| TOTAL EXPENDITURES | <u>669</u> | <u>39,824</u> | <u>1,583</u> | <u>5,165</u> | <u>18</u> | <u>49,819</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | - | - | - | - | - | - |
| Transfers (out) | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 3,872 | 68,268 | 10,817 | 2 | 10 | 97,778 |
| FUND BALANCES - JULY 1 | <u>130,011</u> | <u>338,975</u> | <u>9,745</u> | <u>7</u> | <u>11,807</u> | <u>987,848</u> |
| FUND BALANCES - JUNE 30 | <u>\$ 133,883</u> | <u>\$ 407,243</u> | <u>\$ 20,562</u> | <u>\$ 9</u> | <u>\$ 11,817</u> | <u>\$ 1,085,626</u> |

See accompanying independent auditors' report and notes to financial statements.

General Capital Assets

General capital assets are those assets related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position.

TOWN OF CAMDEN, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
JUNE 30, 2016

| | Land and Non-depreciable Assets | Buildings, Building Improvements & Land Improvements | Furniture, Fixtures, Equipment & Vehicles | Infrastructure | Total |
|--------------------------------|---------------------------------------|--|--|---------------------|----------------------|
| General Government | \$ 1,074,160 | \$ 6,003,177 | \$ 162,752 | \$ - | \$ 7,240,089 |
| Public Safety | 91,000 | 1,149,549 | 1,784,619 | - | 3,025,168 |
| Public Works | 45,000 | 984,633 | 1,623,325 | 1,166,491 | 3,819,449 |
| Leisure Services | 966,066 | 692,959 | 470,862 | 21,559 | 2,151,446 |
| Snow Bowl | 160,000 | 1,994,075 | 3,307,565 | - | 5,461,640 |
| Wastewater | 539,678 | 826,400 | 585,531 | 3,746,363 | 5,697,972 |
| Total General Capital Assets | 2,875,904 | 11,650,793 | 7,934,654 | 4,934,413 | 27,395,764 |
| Less: Accumulated Depreciation | - | (4,253,290) | (3,591,255) | (1,429,297) | (9,273,842) |
| Net General Capital Assets | <u>\$ 2,875,904</u> | <u>\$ 7,397,503</u> | <u>\$ 4,343,399</u> | <u>\$ 3,505,116</u> | <u>\$ 18,121,922</u> |

See accompanying independent auditors' report and notes to financial statements.

TOWN OF CAMDEN, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2016

| | General Capital Assets 7/1/15 (Restated) | Additions | Deletions | General Capital Assets 6/30/16 |
|--------------------------------|--|---------------------|-------------|---|
| General Government | \$ 7,228,338 | \$ 11,751 | \$ - | \$ 7,240,089 |
| Public Safety | 2,997,797 | 27,371 | - | 3,025,168 |
| Public Works | 3,444,249 | 375,200 | - | 3,819,449 |
| Leisure Services | 1,155,158 | 996,288 | - | 2,151,446 |
| Snow Bowl | 5,415,863 | 45,777 | - | 5,461,640 |
| Wastewater | 5,173,357 | 524,615 | - | 5,697,972 |
| Total General Capital Assets | 25,414,762 | 1,981,002 | - | 27,395,764 |
| Less: Accumulated Depreciation | (8,463,246) | (810,596) | - | (9,273,842) |
| Net General Capital Assets | <u>\$ 16,951,516</u> | <u>\$ 1,170,406</u> | <u>\$ -</u> | <u>\$ 18,121,922</u> |

See accompanying independent auditors' report and notes to financial statements.



Proven Expertise and Integrity

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Selectmen
Town of Camden
Camden, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camden, Maine as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town of Camden, Maine's basic financial statements, and have issued our report thereon dated April 28, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Camden, Maine's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Camden, Maine's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Camden, Maine's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Camden, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "RHR Smith & Company". The signature is written in a cursive, flowing style.

Buxton, Maine
April 28, 2017